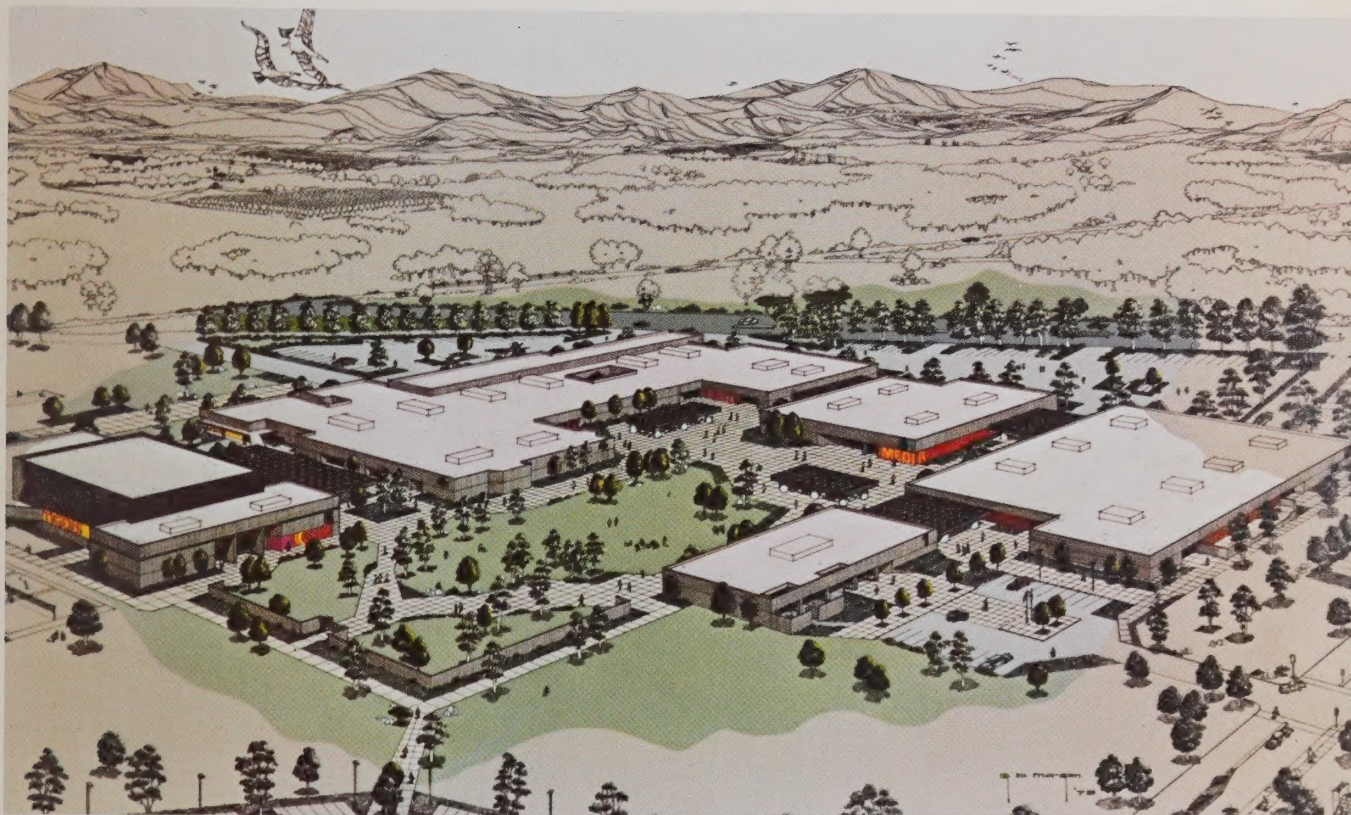


## Official Statement



# San Diego Unified School District Public School Building Corporation

San Diego County, California

## \$35,000,000


### Principal Amount of Bonds, Series B

INSTITUTE OF GOVERNMENTAL  
STUDIES

SEP 11 1975

UNIVERSITY OF CALIFORNIA

Bids to be received by the Corporation at 10:00 A.M., Tuesday, September 30, 1975,  
at the San Diego Unified School District Education Center, Second Floor  
Conference Room, Room 2249, 4100 Normal Street, San Diego, California.



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76 00443  
Aug. 28, 1975

**OFFICIAL STATEMENT**  
**SAN DIEGO UNIFIED SCHOOL DISTRICT PUBLIC SCHOOL BUILDING CORPORATION**  
**SAN DIEGO COUNTY, CALIFORNIA**  
**\$35,000,000 PRINCIPAL AMOUNT BONDS OF SERIES B**

Miss Pauline des Granges, *President*

Mr. Charles W. Patrick, *Vice President*

Mr. Jess R. Macias, *Director*

Dr. J. J. Kimbrough, *Treasurer*

Mr. Arthur H. Marston, Jr., *Director*

Mr. Rolf Haas, *Secretary*

Mr. A. B. Polinsky, *Director*

Dr. Brage Golding, *Director*

Mr. John R. Schell, *Director*

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**San Diego Unified School District**  
**Board of Education**

Dr. Philip Halfaker, *President*

Mrs. Dorothea Edmiston, *Vice President*

Mr. Richard F. Kreile, *Member*

Mrs. Julie Fisher, *Member*

Rev. George W. Smith, *Member*

---

**ADMINISTRATIVE STAFF**

Dr. Thomas L. Goodman, *Superintendent*

Dr. Thomas A. Shannon, *Deputy Superintendent, Administration*

Dr. William H. Stegeman, *Deputy Superintendent, Operations*

Mr. Charles T. Glenn, *Assistant Superintendent, Business Services*

Dr. Harold W. Culver, *Director, Land & Facilities Planning*

Mr. Ronald Oakes, *Controller*

Mr. Ralph D. Stern, *Schools Attorney*

---

**PROFESSIONAL SERVICES**

Orrick, Herrington, Rowley & Sutcliffe, San Francisco  
*Bond Counsel*

Stone & Youngberg Municipal Financing Consultants, Inc., San Francisco  
*Financing Consultants*

Southern California First National Bank, San Diego  
*Trustee*

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The information contained in this Official Statement was prepared under the direction of the San Diego Unified School District Public School Building Corporation by Stone & Youngberg Municipal Financing Consultants, Inc., financing consultants to the Corporation and the San Diego Unified School District.

All of the summaries of the statutes, documents and resolutions contained in this Official Statement are made subject to all of the provisions of such statutes, documents and resolutions. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information.

The information contained in this Official Statement has been compiled from sources believed to be reliable. This Official Statement contains estimates and matters of opinion, which are not intended as representations of fact. This Official Statement is not to be construed as a contract with the purchasers of the bonds.

Bond Counsel's participation in the review of this Official Statement has been limited to reviewing the statements of law and legal conclusions set forth herein under the captions "San Diego Unified School District Public School Building Corporation" and "The Bonds".

**THE DATE OF THIS OFFICIAL STATEMENT IS AUGUST 28, 1975**

*Calif.*  
*School adm. San Diego co.*  
*" architecture " " "*  
*Public debts County " " "*  
*Investments Public securities*

76 00443

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**SUMMARY OF ESSENTIAL FACTS AND ESTIMATES**  
**SAN DIEGO UNIFIED SCHOOL DISTRICT**  
**PUBLIC SCHOOL BUILDING CORPORATION**  
**\$35,000,000 PRINCIPAL AMOUNT BONDS OF SERIES B**

**Issuer and Authority for Issuance:** San Diego Unified School District Public School Building Corporation pursuant to the General Nonprofit Corporation Law of the State of California (Title 1, Division 2, Part 1 of the California Corporations Code), and an Indenture between the Corporation and Southern California First National Bank, as Trustee.

**Purpose of Issue:** Finance the construction of two permanent junior-senior high schools and one junior high school (Project Phase II), all of which will be leased to the San Diego Unified School District.

**Issue of Bonds:** \$35,000,000 principal amount of Bonds of Series B dated October 1, 1975 and maturing on July 1 in years shown below. \$15,300,000 serial bonds due 1978 through 1988 and \$19,700,000 term bonds maturing in 1995.

Maturity July 1	Principal Maturing	Maturity July 1	Principal Maturing
1978 .....	\$ 900,000	1984 .....	\$ 1,450,000
1979 .....	1,000,000	1985 .....	1,600,000
1980 .....	1,050,000	1986 .....	1,700,000
1981 .....	1,150,000	1987 .....	1,850,000
1982 .....	1,250,000	1988 .....	2,000,000
1983 .....	1,350,000	1995 .....	19,700,000

**Interest:** Maximum rate not to exceed 8 percent per annum, payable on July 1, 1976 and semiannually thereafter on January 1 and July 1.

**Discount:** Any discount bid shall be stated as a specific sum not exceeding \$525,000.

**Time and Place of Sale:** Tuesday, September 30, 1975 at 10:00 A.M. at the San Diego Unified School District Education Center, Second Floor Conference Room, Room 2249, 4100 Normal Street, San Diego, California.

**Tax Exemption:** In the opinion of Bond Counsel, interest on the Bonds of Series B is exempt from all present federal and State of California personal income taxes.

**Payment and Registration:** Southern California First National Bank (San Diego), and coupon bonds at United California Bank (Los Angeles and San Francisco), Chase Manhattan Bank National Association (New York), or Continental Illinois National Bank and Trust Company of Chicago (Chicago). Coupon bonds in \$5,000 denomination or in fully registered form interchangeable as provided in the Indenture.

**Call Provisions:** Bonds of Series B maturing on or before July 1, 1988 non-callable, except from proceeds of insurance or eminent domain on any date without premium. Bonds of Series B maturing on July 1, 1995, callable on or after January 1, 1989 at a maximum premium of 1.75 percent and at lesser premiums in subsequent years as specified in the Indenture.

**Minimum Call of Term Bonds:** Sinking fund payments to be made semiannually commencing on or before December 30, 1988 to redeem specified amounts of term bonds of Series B by July 1 in the following years:

Year Ending July 1	Term Bonds to be Redeemed	Premium	Year Ending July 1	Term Bonds to be Redeemed	Premium
1989 .....	\$2,200,000	1.75-1.50%	1993 .....	\$3,000,000	.75- .50%
1990 .....	2,350,000	1.50-1.25	1994 .....	3,250,000	.50- .25
1991 .....	2,550,000	1.25-1.00	1995 .....	3,600,000	.25- —
1992 .....	2,750,000	1.00- .75			



**Legality for Investment:** The Bonds of Series B are eligible to secure deposits of public funds in California under Section 53651.5 of the California Government Code. It is believed the U.S. Comptroller of Currency will issue a ruling that the Bonds of Series B are eligible for purchase, dealing in, underwriting, and unlimited holding by national banks.

**Blue Sky Memorandum:** Information memorandum regarding applicability of blue-sky laws in all 50 states, District of Columbia, and Puerto Rico will be furnished to prospective purchasers.

**Legal Opinion:** Orrick, Herrington, Rowley & Sutcliffe, San Francisco.

**Project Phase II Maximum Annual District Rent Obligations:** Facility Lease between Corporation and District will require District to make semiannual base rent payments for Project Phase II facilities in amounts sufficient to pay principal and interest on the Bonds of Series B. Base rent payments expected to start December 15, 1977, if facilities are completed at that time. Assuming maximum permissible interest rate of 8 percent is bid on Bonds of Series B, District's annual base rent obligation would be \$3,734,350. Additional rent, not to exceed \$10,000 annually, also required of District to pay Corporation's administrative costs.

**Security:** Payment of Bond interest and principal secured by charge upon District base rent payments. Rent payments are general fund obligations and District covenants to budget and appropriate necessary funds each year.

District is empowered to levy a November 5, 1974 voter-approved annual tax at a rate not to exceed \$0.383 per \$100 assessed valuation over the period 1975/76 to 2002/03 for the purpose of purchasing school sites not then owned by the District, preparing plans and specifications, and leasing the following 22 fully furnished, equipped, and landscaped new school facilities: (1) fifteen elementary schools, (2) one junior high school, (3) two junior-senior high schools, (4) one senior high school, and (5) three career educational center additions.

District's maximum annual rent obligations for Project Phase II facilities beginning in 1977/78 would total \$3,744,350 over the term of the Project Phase II Facility Lease, assuming the maximum permitted interest rate of 8 percent is bid on the Bonds of Series B.

Additionally, in 1977/78, District's annual rent obligations for Project Phase I facilities, financed by the issuance of Bonds of Series A, are fixed at \$3,349,280 over the term of the Project Phase I Facility Lease.

Maximum annual rent obligations for Project Phases I and II, financed by the issuance of Bonds of Series A and B, would total \$7,093,630 beginning in 1977/78.

The tabulation below shows that at the projected assessed valuations for revenue purposes, the maximum tax rate required to fund maximum annual rent obligations for Project Phases I and II would be \$0.257 per \$100 assessed valuation for revenue purposes in 1977/78. Based on the current 1975/76 assessed valuation for revenue purposes, a tax rate of only approximately \$0.281 would generate sufficient funds to meet estimated maximum annual rental obligations of \$7,093,630 for Project Phases I and II.

Fiscal Year	Projected Assessed Valuation for Revenue Purposes <sup>①</sup>	Project Phases I and II Maximum Annual Rent Obligations <sup>②</sup>	Project Phases I and II Estimated Required Tax Rate <sup>③</sup>
1977/78 .....	\$2,755,800,000	\$7,093,630	\$0.257
1978/79 .....	2,868,600,000	7,093,630	0.247
1979/80 .....	2,981,300,000	7,093,630	0.237
1980/81 .....	3,094,100,000	7,093,630	0.229
1981/82 .....	3,206,800,000	7,093,630	0.221

① Based on an increase from 1975/76 present assessed valuation for revenue purposes (\$2,530,357,597) at the annual rate of \$112,750,000, or approximately 50% of the average annual increase in assessed valuation for revenue purposes experienced by the District from 1971/72 to 1975/76.

② Based on maximum permitted interest rate of 8 percent bid on Bonds of Series B currently offered for sale plus fixed annual rent obligations for Project Phase I facilities resulting from issuance of Bonds of Series A.

③ Per \$100 assessed valuation.



**Subsequent Series of Bonds:** Proposition XX, approved by District voters on November 5, 1974, empowers District to lease all or only a portion of the 22 new school facilities, by no later than November 5, 1977, if circumstances so require.

Bonds of Series A and Series B will enable the Corporation to acquire and construct, for lease to the District, 14 of the 22 schools authorized by District voters on November 5, 1974. The eight remaining schools that may be constructed include one senior high school, four elementary schools, and three career education center additions. All or only a portion of the eight remaining authorized schools may be constructed from proceeds of subsequent series of bonds issued by the Corporation prior to November 5, 1977.

Present indications are that only five of the eight remaining authorized schools (one senior high school, two of four elementary schools, and two of three career education centers additions) will be required to meet District's presently anticipated facility needs.

Should subsequent developments necessitate construction of all eight remaining authorized schools, it is estimated that the Corporation would issue subsequent series of bonds in the approximate aggregate principal amount of \$32,800,000 prior to November 5, 1977. Estimated maximum annual rental obligations resulting from the issuance of \$32,800,000 subsequent series of bonds would approximate \$3,225,000 beginning in 1978/79, assuming a bid of 8 percent interest on the bonds of subsequent series and payment of the final maturity on July 1, 2000.

The tabulation below shows that at the projected assessed valuations for revenue purposes, the maximum tax required to fund estimated maximum annual rent obligations for all 22 authorized schools would be \$0.359 per \$100 assessed valuation in 1978/79, or \$0.024 per \$100 assessed valuation less than the voter-approved maximum tax rate.

Fiscal Year	Estimated Annual Rent Obligations <sup>②</sup>					All Project Phases Estimated Required Tax Rate <sup>③</sup>
	Projected Assessed Valuation For Revenue Purposes <sup>①</sup> (\$1,000's)	Fixed Rent Project Phase I (\$1,000's)	Maximum Rent Project Phase II (\$1,000's)	Maximum Rent Bonds of Subsequent Series (\$1,000's)	Total (\$1,000's)	
1977/78 .....	\$2,755,800	\$3,349	\$3,745	\$ —	\$ 7,094	\$0.257
1978/79 .....	2,868,600	3,349	3,745	3,225	10,319	0.359
1979/80 .....	2,981,300	3,349	3,745	3,225	10,319	0.346
1980/81 .....	3,094,100	3,349	3,745	3,225	10,319	0.333
1981/82 .....	3,206,800	3,349	3,745	3,225	10,319	0.322

① Based on an increase from 1975/76 present assessed valuation for revenue purposes (\$2,530,357,597) at the annual rate of \$112,750,000, or approximately 50% of the average annual increase in assessed valuation for revenue purposes experienced by the District from 1971/72 to 1975/76.

② Based on maximum permitted interest rate of 8 percent bid on \$35,000,000 Bonds of Series B currently offered for sale and an estimated 8 per cent bid on \$32,800,000 bonds of subsequent series of Bonds, plus fixed annual rent obligations for Project Phase I facilities resulting from issuance of Bonds of Series A.

③ Per \$100 assessed valuation.

**Other Protective Provisions Bonds of Series A:** (1) Reserve equal to maximum annual debt service created from bond proceeds; (2) interest funded from bond proceeds through July 1, 1977, approximately seven months beyond the estimated date of occupancy of Project Phase II schools by the District; (3) firm construction bids have been received with 100% faithful performance and 100% labor and materialmen's bonds; (4) insurance protection includes fire and extended coverage for not less than full replacement cost of the facilities or sufficient to pay Bonds, subject to a deductible clause not to exceed \$100,000 for any one loss; earthquake insurance after completion, if such insurance is available on the open market from reputable insurance companies, for not less than full replacement cost of the facilities or sufficient to pay Bonds, subject to a deductible clause not to exceed 10 percent of replacement cost for any one loss; rental interruption insurance equal to time required to construct structure plus three months, less a 30-day deductible; public liability and property damage insurance; and a policy of title insurance in the amount of the Bonds insuring the Corporation's interest in the site upon which facilities are to be located.





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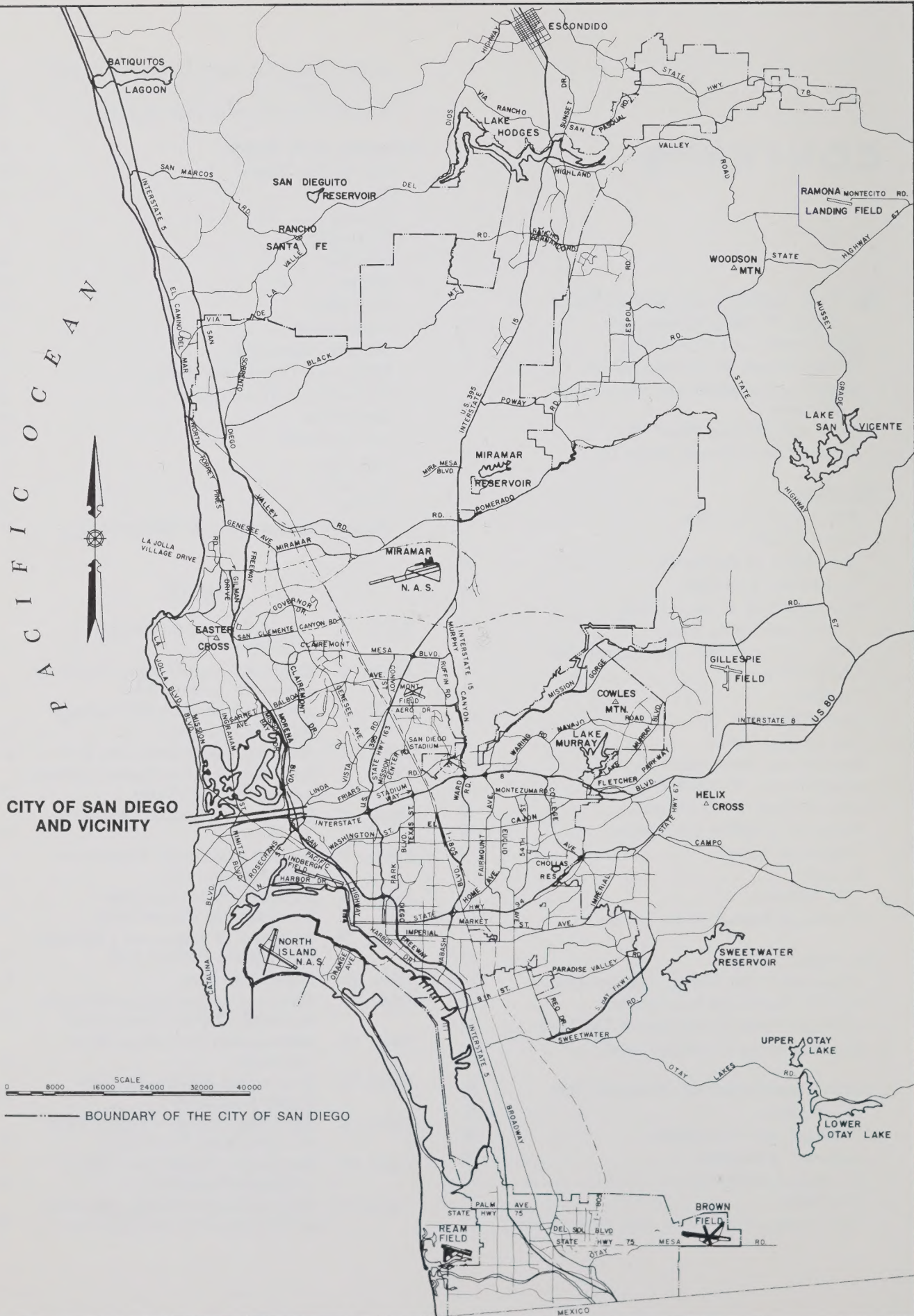
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BOUNDARY OF THE CITY OF SAN DIEGO





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# SAN DIEGO UNIFIED SCHOOL DISTRICT PUBLIC SCHOOL BUILDING CORPORATION

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## Organization and Membership

The San Diego Unified School District Public School Building Corporation, herein referred to as the "Corporation", was formed in December, 1974, as a nonprofit corporation pursuant to the General Nonprofit Corporation Law of the State of California (Title 1, Division 2, Part 1, of the California Corporations Code). The purpose of the Corporation is to provide financial assistance to the San Diego Unified School District, San Diego County, California, herein referred to as the "District", by financing the acquisition, construction, improvement and remodeling of public school buildings and facilities for the District.

The Corporation functions as an independent entity and its policies are determined by a nine-member Board of Directors who are prominent community leaders and residents of the District. The members of the Board of Directors, who serve without compensation, are:

*President:* Pauline des Granges, Park and Recreation Director of the City of San Diego (1972-1974). Miss des Granges, an active participant in park and recreation professional organizations at the local, state and national levels, has served as: Director, American Park and Recreation Society; President, California Recreation Society; President, Recreation Department, League of California Cities; and delegate to the President's National Conference on Youth Fitness and White House Conference on Children and Youth.

*Vice President:* Charles W. Patrick, Deputy Superintendent of the San Diego Community College District (1971-1974). Mr. Patrick served as a member of the President's National Advisory Council on Vocational Education; Commissioner, California Apprenticeship Council; President, National Council of Local Administrators of Vocational Education; and member of the Board of Directors of the American Technical Education Association.

*Treasurer:* Dr. J. J. Kimbrough, Past President and Secretary of the California State Board of Dental Examiners. Dr. Kimbrough has served as: President, San Diego Urban League; President, San Diego Branch of the N.A.A.C.P.; and a member of the Board of Directors of the Community Welfare Council, Downtown City Y.M.C.A., San Diego County Dental Society, and California Children's Home Society.

*Secretary:* Rolf Haas, insurance agent, long active in civic affairs, served on the Executive Board of the San Diego/Imperial Counties Labor Council, AFL-CIO and the Civil Service Commission, City of San Diego. Mr. Haas has also served as: President, Family Association of San Diego; and Chairman, Scenic Highways Element, San Diego County Planning Commission.

*Director:* Dr. Brage Golding, President, San Diego State University. Dr. Golding previously served as Founding President, Wright State University (Dayton, Ohio); Vice President, The Ohio State University; Vice President, Miami University; Head, School of Chemical Engineering, Purdue University; and Director of Research, Lilly Industrial Coatings Co.

*Director:* Jess R. Macias, Group Engineer, Teledyne Ryan Corporation. Mr. Macias is serving the National Alliance of Businessmen in developing programs to increase job opportunities for minorities in San Diego. Mr. Macias holds the offices of President of the Spanish Speaking Political Association and President of Amigos de SERS. In educational matters, Mr. Macias has served on the San Diego Diocesan Board of Education and the University High School's Advisory Committee on Compensatory Education.

*Director:* Arthur H. Marston, Jr., Vice President, Broadway Department Stores. Mr. Marston, a San Diego merchant since 1932, has served as President of San Diegans, Inc., a citizens' planning organization involved in the rehabilitation of the San Diego central business district; and Director, San Diego Chamber of Commerce.

*Director:* A. B. Polinsky, Chairman of the Board, Coca-Cola Bottling Company of San Diego. Mr. Polinsky has served as Chairman of the Board of the Greater San Diego Sports Association and founding director of the San Diego All American Stadium Committee, Inc. Organizations in which Mr. Polinsky has been a leading participant include: the San Diego Chamber of Commerce; N.A.A.C.P.; United Jewish Federation; National Alliance of Businessmen; United Community Fund; and School Bond Election Committees.

*Director:* John R. Schell, attorney, partner in the San Diego law firm of Glenn, Wright, Jacobs & Schell. Mr. Schell has served as Assistant United States Attorney of Los Angeles and San Diego;

and, Arbitrator, Construction Industry Panel, American Arbitration Association.

## **Certain Powers of the Corporation**

The powers of the Corporation are vested in, and exercised by, a majority of its directors. Under its Articles of Incorporation, the Corporation has all powers conferred upon nonprofit corporations by the laws of the State of California including the following:

(a) To borrow money and issue bonds, debentures, notes and other evidences of indebtedness, and to secure the payment of performance of its obligations by pledge, mortgage, transfer in trust or otherwise;

(b) To acquire, by purchase, exchange, lease, gift, devise, bequest or otherwise, and to hold, improve, lease, sublease, mortgage, transfer in trust, encumber, exchange, convey or otherwise dispose of real and personal property; and

(c) To assume any obligations, enter into any contracts and other instruments and do any and all things incidental to or expedient for the attainment of its corporate purposes or the issuance and sale of its securities.

## **Financing Procedures and Basic Legal Documents**

On November 5, 1974 voters of the District, by a vote of 111,601 to 88,345 (55.8%), approved an increase of \$0.383 per \$100 assessed valuation in the District's maximum tax rate over the period 1975/76 to 2002/03 for the purpose of purchasing school sites not then owned by the District, preparing plans and specifications, and leasing the following 22 fully furnished, equipped, and landscaped new school facilities: (1) fifteen elementary schools, (2) one junior high school, (3) two junior-senior high schools, (4) one senior high school, and (5) three career education center additions.

The Corporation has previously issued Bonds of Series A, dated July 1, 1975, in the principal amount of \$37,250,000 to finance the construction of eleven elementary schools and the acquisition of two existing classroom buildings (Project Phase I) for lease to the District.

Proceeds from the sale of the \$35,000,000 principal amount of the Corporation's Bonds of Series B currently being offered will be used to fi-



nance the construction of two junior-senior high schools and one junior high school (Project Phase II) for lease to the District. The Project Phase II facilities will be constructed on District-owned sites that are to be leased to the Corporation pursuant to provisions of a site lease, the principal provisions of which are summarized in the "Site Lease (Project Phase II)" heading of this section of the Official Statement. The principal provisions of the "Site Lease (Project Phase II)" contain substantially identical provisions as the "Facility Lease (Project Phase I)," except for necessary changes. The three schools, herein referred to as "Project Phase II," and the application of proceeds from the sale of the Bonds of Series B are described in "The Project" section of this Official Statement.

The \$35,000,000 principal amount of the Corporation's Bonds of Series B will be issued pursuant to the First Supplemental Indenture to the July 1, 1975 Indenture between the Corporation and Southern California First National Bank, San Diego, California, as Trustee. The First Supplemental Indenture, approved as to preliminary form by the Corporation on August 28, 1975, is dated October 1, 1975 and will be executed prior to the delivery of the Bonds of Series B.

The Bonds of Series B and a summary of certain provisions of the Indenture and the First Supplemental Indenture are discussed in "The Bonds" section of this Official Statement. For complete details prospective purchasers of the Bonds of Series B are referred to the text of the Basic Legal Documents accompanying the distribution of this Official Statement.

The Corporation will lease back to the District the Project Phase II facilities and sites pursuant to provisions of a facility lease, the principal provisions of which are summarized in the "Facility Lease (Project Phase II)" heading of this section of the Official Statement. The principal provisions of the "Facility Lease (Project Phase II)" contain substantially identical provisions as the "Facility Lease (Project Phase I)," except for necessary changes.

Following the issuance of the Bonds of Series B, the Corporation may issue one or more additional series of bonds to construct all or a portion of the 8 remaining schools approved by District voters in the November 5, 1974 lease authorization measure. It is presently anticipated that the Corporation will not issue any additional series of bonds prior to July 1, 1976.

## Site Lease (Project Phase II)

The Project Phase II Site Lease, herein referred to as the "Site Lease", has been approved as to preliminary form by the Corporation on August 28, 1975. The Site Lease will be dated October 1, 1975 and will be executed prior to the delivery of the Bonds of Series B.

Pursuant to the Site Lease, the District will lease to the Corporation, at an annual rate of \$1.00, the real properties (Demised Premises) upon which the Project Phase II facilities are to be constructed. The Corporation shall use the Demised Premises solely for the purpose of: (1) constructing Project Phase II facilities thereon, and (2) leasing back to the District the Demised Premises and the facilities thereon pursuant to the Facility Lease.

**Term.** The term of the Site Lease shall start on the date of its recordation in the office of the County Recorder of San Diego County, State of California, or on December 1, 1975, whichever is earlier. The term of the Site Lease shall end on December 1, 1995, unless extended or earlier terminated. If prior to December 1, 1995, all of the Bonds of Series B shall have been retired, the Site Lease shall be terminated ten days thereafter (the final maturity of the Bonds of Series B is July 1, 1995). If on November 30, 1995, the Bonds of Series B have not been retired, the Site Lease shall be extended until payment has been made, but not beyond December 1, 2000.

**Title to Sites: Quiet Enjoyment.** The District owns the sites upon which Project Phase II facilities are to be constructed. All or a portion of one of the three Project Phase II sites was acquired by the District from the United States of America pursuant to a deed which reserves in the United States of America a right of reverter if the District breaches terms and conditions set forth in the deed: (1) the site must be continuously used for education purposes; (2) the District must comply with Title VI of the Civil Rights Act of 1964 (no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or otherwise subjected to discrimination); (3) the District must receive permission from the United States of America to sell, lease, mortgage, encumber, or otherwise dispose of the site; and (4) the District must file annual reports to the United States of America relative to its compliance with conditions set forth in the deed. The District will covenant in the Site Lease to comply

with these terms and conditions contained in the deed and will further agree in the Site Lease that if at any time it is unable to comply with the terms and conditions of the deed, it will pay to the United States of America any amounts necessary to obtain a surrender and release of said terms and conditions, and it will use its best efforts to obtain such surrender and release.

**Eminent Domain Proceedings.** In the event all or any part of the Demised Premises or the Project Phase II improvements thereon are taken by eminent domain proceedings, the interests of the Corporation shall be recognized in the amount of the then unpaid indebtedness incurred by the Corporation to acquire and construct Project Phase II, including interest thereon and all other payments required to be made by, or to, the Trustee under the Indenture securing the Bonds.

**Termination and Disposition of Project.** Upon the termination of the Site Lease, the Corporation agrees to surrender to the District the Demised Premises and title to the permanent structures and improvements existing thereon.

For additional details of the Site Lease, prospective purchasers of the Bonds of Series B are referred to the complete text of the proposed form of Site Lease included in the Basic Legal Documents accompanying the distribution of this Official Statement.

### **Facility Lease (Project Phase II)**

The Project Phase II Facility Lease, herein referred to as the "Facility Lease," has been approved as to preliminary form by the Corporation on August 28, 1975. The Facility Lease will be dated October 1, 1975 and will be executed prior to the delivery of the Bonds of Series B. The Corporation will lease to the District the Demised Premises and the Project Phase II facilities constructed thereon pursuant to provisions of the Facility Lease described below.

**Term.** The term of the Facility Lease shall start on the date of its recordation in the office of the County Recorder of San Diego County, State of California, or on December 1, 1975, whichever is earlier. The term of the Facility Lease shall end on November 30, 1995 unless extended or earlier terminated. If prior to November 30, 1995, all of the Bonds of Series B shall have been retired, the Facility Lease shall terminate ten days thereafter (the final maturity of the Bonds of Series B is July 1,

1995). If on November 30, 1995 the Bonds of Series B have not been retired, the Facility Lease shall be extended until payment has been made, but not beyond December 1, 2000.

**Construction of Facilities.** The District has obtained competitive bids for the construction of Project Phase II facilities at a cost of \$23,906,381 as indicated in "The Project" section of this Official Statement. Concurrent with the execution, delivery and recordation of the Facility Lease, the Corporation will enter into contracts with the lowest responsible bidders for construction of Project Phase II facilities in accordance with plans and specifications previously approved by the District and the State Office of Architecture and Construction.

**Commencement of Rent.** It is contemplated that the District will take possession of the Demised Premises and the Project Phase II facilities on or before December 1, 1977 and the first semiannual payment of rental shall be due on December 15, 1977. The District may take possession of the Demised Premises and the Project Phase II facilities prior to December 1, 1977 if completed prior to that date. If for any reason the Corporation is not able to deliver possession of the Demised Premises and the Project Phase II facilities, or any part thereof, to the District by December 1, 1977, the Facility Lease shall not be void nor the Corporation be liable to the District for any resulting loss or damage; but in that event, the rental payable by the District shall be abated based on the proportion the construction cost of the incompleted portion or portions of the Project Phase II facilities bears to the total acquisition and construction cost of the Project Phase II facilities.

**Base Rental.** For the use and occupancy of the Demised Premises and the Project Phase II facilities, the District agrees to pay the Corporation a base rental, semiannually beginning on December 15, 1977 and each succeeding June 15 and December 15 up to and including June 15, 1995 unless the Facility Lease has been extended or earlier terminated. The amount of base rental shall be in amounts sufficient to meet payments of interest, principal, and premium, if any, on the Corporation's Bonds of Series B as they become due. The actual base rental obligation of the District will be determined following the sale of the Bonds of Series B.

**Additional Rent.** The District is also required to pay to the Corporation additional rental, in an amount not to exceed \$10,000 annually, to meet



administrative costs of the Corporation attributable to Project Phase II and the Corporation's Bonds of Series B.

**District Provision of Rental.** The District covenants to include all base rental and additional rental payments in its annual budget and to make the necessary annual appropriations for all such payments. The Corporation and the Trustee will be furnished copies of each proposed and final budget of the District within ten days after the filing or adoption thereof.

**Abatement of Rental.** Rental shall be abated during any period in which there is substantial interference with the District's use and occupancy of the Demised Premises and the Project Phase II facilities due to damage or destruction. The abatement of District rental shall be based on the proportion of initial costs of the unuseable portion or portions of the Project Phase II facilities to the total initial cost of Project Phase II facilities.

**Insurance.** The District is required to obtain and maintain throughout the term of the Facility Lease various insurance coverages including fire and extended coverage, earthquake (after completion of construction and if available on the open market from reputable insurance companies), public liability and property damage, and rental or use and occupancy insurance. The major features of these types and amounts of insurance coverages are discussed under the heading "The Indenture" in "The Bonds" section of this Official Statement.

**Maintenance, Utilities, Taxes and Assessments.** The District shall be responsible for the maintenance and repair of the Demised Premises and the Project Phase II facilities while in possession, and shall pay or arrange for the payment of such costs, as well as utilities, and taxes and assessments throughout the term of the Facility Lease.

**Eminent Domain Proceedings.** In the event the Project Phase II facilities are permanently taken

under the power of eminent domain, the Facility Lease shall terminate. In the event less than all of the Project Phase II facilities are taken under the power of eminent domain, the Facility Lease shall continue in full force and there shall be a partial abatement of rent to be agreed upon by the District and the Corporation; however, in no event shall the rental payable by the District be less than the amount required for the retirement of the Bonds of Series B and payment of interest thereon as such bonds and interest become due.

**Option to Purchase.** The District shall have the option to purchase the Corporation's interest in any part of the Project Phase II facilities upon payment of an option price equal to the aggregate amount for the entire remaining term of the lease of the part of the total rental attributable to such part of the Project Phase II facilities (determined by reference to the proportion which the acquisition and construction cost of such part of the Project Phase II facilities bears to the acquisition and construction cost of all of the Project Phase II facilities).

**Default By District.** Should the District default and fail to remedy any default, the Corporation has the right to terminate the Facility Lease and re-enter the premises, or without terminating the Facility Lease, re-enter and relet Project Phase II facilities as agent of and for the account of the District.

**Termination and Disposition of Project.** Upon termination of the Facility Lease, the Corporation agrees to surrender to the District the Demised Premises and title to permanent improvements thereon.

The foregoing summary discussion of selected features contained in the proposed form of Facility Lease are made subject to all of the provisions of the proposed form of Facility Lease. This summary does not purport to be a complete statement of such provisions and reference is made to the proposed form of Facility Lease which is included as part of the Basic Legal Documents accompanying this Official Statement.

# THE BONDS

## Authority for Issuance

The \$35,000,000 principal amount of San Diego Unified School District Public School Building Corporation Bonds of Series B, herein referred to as the "Bonds of Series B," are to be issued pursuant to the General Non-Profit Corporation Law of the State of California (Title 1, Division 2, Part 1 of the California Corporations Code) and the First Supplemental Indenture to the July 1, 1975 Indenture, herein referred to as "the Indenture", between the Corporation and Southern California First National Bank, as Trustee. The Bonds of Series B will be secured under provisions of the Indenture, a copy of which is included with the Basic Legal Documents which accompany the distribution of this Official Statement.

## Terms of Sale

Bids for the purchase of the \$35,000,000 principal amount of Bonds of Series B will be received by the Corporation at 10:00 A.M., Tuesday, September 30, 1975, at the San Diego Unified School District Education Center, Second Floor Conference Room, Room 2249, 4100 Normal Street, San Diego, California, 92103. Details of the terms of sale are included in the Official Notice of Sale adopted by the Board of Directors of the Corporation on August 28, 1975.

## Description of the Bonds

The Bonds of Series B will be dated October 1, 1975 and will bear interest, at a rate not to exceed 8 percent per annum, from their date, payable for the first nine months on July 1, 1976 and each succeeding January 1 and July 1. The Bonds of Series B will mature on July 1 in each of the years in the designated principal amounts as shown in Table 1.

The \$19,700,000 principal amount of Bonds of Series B maturing on July 1, 1995 are term bonds and mandatory sinking fund payments are provided for beginning in 1988 to assure payment of term bonds at or prior to maturity.

Table 1

### SAN DIEGO UNIFIED SCHOOL DISTRICT PUBLIC SCHOOL BUILDING CORPORATION Bonds of Series B Principal Maturities

Maturity Date July 1	Principal Amount
1978 .....	\$ 900,000
1979 .....	1,000,000
1980 .....	1,050,000
1981 .....	1,150,000
1982 .....	1,250,000
1983 .....	1,350,000
1984 .....	1,450,000
1985 .....	1,600,000
1986 .....	1,700,000
1987 .....	1,850,000
1988 .....	2,000,000
1995 .....	19,700,000

## Redemption Provisions

The Corporation shall have the right, on any date, to redeem Bonds of Series B as a whole, or in part by lot within each maturity then outstanding, from proceeds of insurance paid for loss or substantial damage to the Project facilities or proceeds of eminent domain proceedings, at the principal amount and accrued interest thereon to the date fixed for redemption, without premium.

Bonds of Series B maturing on or before July 1, 1988, an aggregate principal amount of \$15,300,000, shall not otherwise be subject to redemption prior to their respective maturity dates.

Bonds of Series B maturing on July 1, 1995 are also subject to redemption prior to their maturity date, at the option of the Corporation, as a whole, or in part by lot, from any source of available funds on any interest payment date on or after January 1, 1989 at the principal amount and accrued interest to the date of redemption, plus a premium of one-fourth of one percent of such principal amount for each whole year, or fraction of a year, between the date of redemption and July 1, 1995. The maximum premium shall not exceed 1.75 percent of such principal amount.



## Minimum Call of Term Bonds

To provide for the payment of term bonds maturing July 1, 1995, the Indenture will provide that the Trustee shall deposit in the Principal Fund in the Series B Sinking Fund Account, on or before June 30 and December 30 of each year (beginning December 30, 1988) revenues in an amount equal to one-half of the amount required to call and redeem Bonds of Series B, including premiums thereon, if any, in the stated principal amounts shown in the following tabulation.

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### SAN DIEGO UNIFIED SCHOOL DISTRICT PUBLIC SCHOOL BUILDING CORPORATION Minimum Call and Redemption of Term Bonds

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Year Ending July 1	Principal Amount of Term Bonds to be Redeemed	Premium	
		January 1	July 1
1989 .....	\$2,200,000	1.75%	1.50%
1990 .....	2,350,000	1.50	1.25
1991 .....	2,550,000	1.25	1.00
1992 .....	2,750,000	1.00	.75
1993 .....	3,000,000	.75	.50
1994 .....	3,250,000	.50	.25
1995 .....	3,600,000	.25	—

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## Trustee and Paying Agents

The Southern California First National Bank, San Diego, California, has been appointed by the Corporation as Trustee. The Trustee will receive all of the bond proceeds and will disburse bond moneys in conformity with the Indenture. In addition to holding and administering the various funds of the Corporation, the Trustee will invest the funds held in trust and will be the recipient of the rental revenues of the Corporation relating to the Project. The Trustee will also act as Paying Agent of the Corporation, paying bond interest and principal. The Trustee will act as bond registrar and will authenticate all registered bonds.

Interest and principal are payable at the San Diego, California principal office of Southern Cali-

fornia First National Bank, the Trustee; or in the case of coupon bonds at the option of the holder at the principal office of United California Bank in Los Angeles, California; the principal office of United California Bank in San Francisco, California; the principal office of Chase Manhattan Bank N.A. in New York, New York; or the office of Continental Illinois National Bank and Trust Co., Chicago, Illinois.

## Form, Denomination, and Registration

The Bonds of Series B will be issued as coupon bonds in the denomination of \$5,000, or as fully registered bonds in the denomination of \$5,000 or any multiple thereof so long as principal shall mature in only one year. Coupon bonds and fully registered bonds will be interchangeable at the office of the Trustee as provided for in the Indenture.

## CUSIP Numbers

It is anticipated that CUSIP numbers will be printed on the Bonds of Series B but neither failure to print such numbers on any Bond of Series B nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds of Series B in accordance with the terms of the purchase contract. All expenses in relation to the assignment and printing of CUSIP numbers on the Bonds of Series B shall be paid by the Corporation.

## Litigation

There is no litigation pending concerning the validity of the Bonds, and the Corporation will furnish to the successful bidder a no-litigation certificate certifying to the foregoing at the time of the delivery of the Bonds of Series B.

The present California system of levying taxes and applying funds for public school purposes has been held unconstitutional under provisions of the California Constitution by a California Superior Court in *Serrano v. Priest*, and an appeal is pending before the California Supreme Court. The Superior Court judgment provides that the existing system of financing schools shall continue to operate for a reasonable length of time (not to exceed six years) so that a constitutional system can be placed into operation.

The outcome of this litigation, any resulting change in the sources of funds, including property taxation, applied to the support of public schools and any effect thereof on the moneys available to the District to pay rent under the Facility Leases which are the security on the Bonds are not determinable at this time. However, it is not believed that such litigation will affect the validity of the Facility Leases during their terms, even though such litigation may affect the ability of the District to levy the voted tax override.

In 1967, a suit seeking to racially balance the schools in the District was filed. In May, 1975 the trial court limited the issues in the case. No trial date has been set as to the determination of whether or not the District engaged in intentional racial discrimination.

### **Legal Opinion**

The legal opinion of Messrs. Orrick, Herrington, Rowley & Sutcliffe, San Francisco, California, bond counsel to the Corporation, approving the validity of the Bonds of Series B, will be furnished to the purchasers without charge at the time of the original delivery of the Bonds of Series B. A copy of the legal opinion will be printed on each bond. See the concluding paragraph of the title page of this Official Statement regarding the scope of bond counsel's review of this Official Statement.

### **Tax Exempt Status**

In the opinion of bond counsel, the interest on the bonds will be exempt from all present Federal income taxes under existing statutes, regulations, and court decisions, and the bonds will be exempt from all taxation in California other than inheritance, estate, gift and franchise taxes.

### **Legality for Investment**

The Bonds of Series B are eligible for security for deposits of public moneys in California.

### **Eligibility for National Banks**

A request is being made to the Comptroller of the Currency for a ruling that Bonds of Series B of the Corporation are eligible for purchase, dealing in, underwriting and unlimited holding by national banks. The ruling is expected prior to the date of sale of the Bonds of Series B.

### **Sale of Bonds in California**

The Division of Corporation Finance of the United States Securities and Exchange Commission has issued a "no-action" letter to the Corporation stating

that the Division of Corporation Finance will not recommend any action to the Securities and Exchange Commission if the proposed bond offering is made without prior compliance with the registration requirements of the Securities Act of 1933 or qualification of the Indenture under which the Bonds of Series B are to be issued under the Trust Indenture Act of 1939. The Commissioner of Corporations of the State of California has issued an interpretive opinion stating that the Bonds are exempt from the qualification requirement of Section 25110 of the California Corporate Securities Law of 1968. The Bonds of Series B are being offered and sold without registration under the Securities Act of 1933 or qualification of the Indenture under the Trust Indenture Act of 1939, and without qualification under the California Corporate Securities Law of 1968, in reliance upon such "no-action" letter and such interpretive opinion.

### **Resale of Bonds in Other States**

The Corporation will furnish to prospective purchasers an information memorandum covering applicability of blue-sky laws in all 50 states, the District of Columbia and Puerto Rico. The memorandum will indicate states in which no action is believed necessary to qualify the Bonds of Series B for offer and sale, states in which the Corporation is taking action to qualify the Bonds of Series B for offer and sale or to obtain exemptions, and states in which additional action is believed necessary to qualify the Bonds of Series B for offer and sale. The purchaser will assume responsibility for any required permits and/or filing fees in states in which additional action is believed necessary, and for complying with the laws of all jurisdictions on resale of the Bonds of Series B, and shall indemnify and hold harmless the Corporation and its officers and directors from any loss or damage resulting from any failure to comply with any such law.

### **Purpose of Issue**

The Bonds of Series B are to be issued to finance Project Phase II, the construction of two junior-senior high schools and one junior high school and related facilities, all for lease to the San Diego Unified School District, San Diego County, California, as more fully described in "The Project" section of this Official Statement.

### **Security**

The Bonds of Series B will be valid, binding, and legal general obligations of the Corporation secured with the Bonds of Series A under the Inden-



ture by the assignment, transfer in trust, transfer of security interest in, and pledge of the trust estate, including the following, to the Southern California First National Bank, San Diego, California, as Trustee:

(1) The leasehold estate of the Corporation in real property under the two Site Leases (Project Phase I and II) between the District, as lessor, and the Corporation, as lessee, subject to rights of reverter reserved by the United States of America in the deeds of all or a portion of the sites of four schools;

(2) All rights, title, and interest of the Corporation under the two Facility Leases (Project Phase I and II) between the Corporation, as lessor, and the District, as lessee; and

(3) All of the revenues derived by the Corporation from the use and operation of the Project Phase I now under construction and Project Phase II to be acquired and constructed pursuant to the Site and Facility Leases (Project Phase II);

Bonds of Series A and B principal and interest coming due each year will be payable from semi-annual base rental payments to be made by the District for use of all Project facilities. The District's annual base rental specified in the two Facility Leases will be in an amount sufficient to pay principal and interest on the Bonds of Series A and B. Based on the maximum interest rate of 8 percent that may be bid on the Bonds of Series B, the District's maximum annual base rent for Project Phase II facilities would be \$3,734,350. The exact amount of the semiannual base rental payment payable by the District will be established subsequent to the determination of the interest rates the bonds of Series B will bear.

Under provisions of the Facility Lease (Project Phase II), the District will also be obligated to pay to the Corporation additional rent, not to exceed \$10,000 annually, to meet administrative costs of the Corporation attributable to the Bonds of Series B.

**Authorized District Tax Rate Increase.** At a District-wide election held on November 5, 1974, voters of the District approved Proposition XX which authorized an increase of \$0.383 per \$100 assessed valuation in the District's maximum tax rate limit, over the period 1975/76 to 2002/03, for the purposes of: (1) acquiring school sites not then owned by the District, (2) preparing

plans and specifications, and (3) leasing 22 fully furnished, equipped and landscaped public school buildings. Proposition XX also reserved to the District the right to lease less than all of the 22 public school buildings if circumstances so require.

**Projected Assessed Valuations.** The District's maximum annual base rent to be payable to the Corporation under the Facility Lease (Project Phase II) in semiannual installments beginning December 15, 1977 (fiscal year 1977/78) is estimated at \$3,734,350, assuming the maximum permitted interest rate of 8 percent is bid on the Bonds of Series B. A portion of the District's \$0.383 per \$100 assessed valuation maximum lease authorization tax will be levied beginning in fiscal year 1977/78 in an amount sufficient to pay base rent obligations, and additional rent obligations not to exceed \$10,000 annually, pursuant to the Facility Lease (Project Phase II).

Over the five-year period 1971/72 through 1975/76, the District's assessed valuations for revenue purposes increased from \$1,628,298,774 to \$2,530,357,597, or at an annual average increase of approximately \$225,515,000. If the District's assessed valuation for revenue purposes should increase at the rate of approximately 50 percent of the annual average increase experienced over the five-year period 1971/72 through 1975/76 (\$112,750,000), the District's projected assessed valuation for revenue purposes for the five-year period beginning in 1977/78 (the first year in which a portion of the lease authorization tax will be levied to pay Project Phase II rent obligations) would be as shown in the tabulation below.

Fiscal Year	Projected Assessed Valuation For Revenue Purposes <sup>①</sup>
1977/78 .....	\$2,755,800,000
1978/79 .....	2,868,600,000
1979/80 .....	2,981,300,000
1980/81 .....	3,094,100,000
1981/82 .....	3,206,800,000

<sup>①</sup> Based on an increase from the 1975/76 assessed valuation for revenue purposes (\$2,530,357,597) at the annual rate of \$112,750,000, or approximately 50% of the average annual increase in assessed valuation for revenue purposes experienced by the District from 1971/72 to 1975/76.

**Projected Rental Tax Rate.** As previously stated, the District is empowered to levy the lease authorization tax at a rate not to exceed \$0.383 per \$100 assessed valuation over the period 1975/76 to 2002/03. It is estimated that the maximum annual rental for Project Phase II facilities will be \$3,744,350 consisting of \$3,734,350 base rent plus \$10,000 additional rent, beginning in 1977/78.

In 1977/78 the District's fixed annual rent obligations for Project Phase I facilities, financed by the issuance of the Corporation's Bonds of Series A, will total \$3,349,280.

Based on the foregoing, the District's maximum annual rent obligations for Project Phases I and II, financed by the issuance of the Corporation's Bonds of Series A and B, would total \$7,093,630, beginning in 1977/78.

The tabulation below shows that at the projected assessed valuations for revenue purposes, the maximum tax rate required to fund maximum annual rent obligations for Project Phases I and II would be \$0.257 per \$100 assessed valuation for revenue purposes in 1977/78. Based on the current 1975/76 assessed valuation for revenue purposes, a tax rate of only approximately \$0.281 per \$100 assessed valuation would generate sufficient funds to meet estimated maximum annual rental obligations of \$7,093,630 for Project Phases I and II.

**Subsequent Series of Bonds.** Proceeds from the sale of the Corporation's Bonds of Series A and Bonds of Series B will be sufficient to acquire and construct 14 of the 22 schools authorized by Dis-

trict voters on November 5, 1974. The eight remaining schools that may be constructed from the proceeds of the sale of subsequent series of bonds of the Corporation prior to November 5, 1977, include one senior high school, four elementary schools, and three career education center additions. The proposition approved by the voters on November 5, 1974 permits the District to lease less than the 22 schools named in the proposition, if conditions make it advisable to do so. Additionally, state law provides that any leases for facilities approved by District voters on November 5, 1974 must be entered into no later than three years from November 5, 1974.

Based on currently available information it is anticipated that the Corporation will not issue any additional series of bonds prior to July 1, 1976. Present indications are that only five of the eight remaining authorized schools will be required to meet the District's presently anticipated needs.

Should subsequent developments necessitate the construction of all remaining eight authorized schools, it is estimated that District occupancy would occur on or about September, 1978. Under this circumstance the District would levy a portion of the \$0.383 per \$100 assessed valuation lease authorization tax in 1978/79 to provide funds to pay rental obligations for use and occupancy of the eight remaining authorized schools.

The estimated cost of the eight remaining authorized schools that may be constructed are: (1) site acquisition (\$2,355,000), (2) architect and design

Fiscal Year	Projected Assessed Valuation for Revenue Purposes <sup>①</sup> (\$1,000's)	Project Phases I and II Maximum Annual Rent <sup>②</sup>	Project Phases I and II Estimated Rental Tax Rate <sup>③</sup>
1977/78 .....	\$2,755,800	\$7,093,630	\$0.257
1978/79 .....	2,868,600	7,093,630	0.247
1979/80 .....	2,981,300	7,093,630	0.237
1980/81 .....	3,094,100	7,093,630	0.229
1981/82 .....	3,206,800	7,093,630	0.221

① Based on an increase from 1975/76 present assessed valuation for revenue purposes (\$2,530,357,597) at the annual rate of \$112,750,000, or approximately 50% of the average annual increase in assessed valuation for revenue purposes experienced by the District from 1971/72 to 1975/76.

② Based on maximum permitted interest rate of 8 percent on the Bonds of Series B currently offered for sale, plus fixed rent obligations for Project Phase I facilities resulting from issuance of Bonds of Series A.

③ Per \$100 assessed valuation.



costs (\$2,194,000), and (3) site development and construction (\$25,850,000). These cost estimates include an inflation factor at the rate of approximately 18 per cent per year from the date of initial cost estimate to the estimated date of start of construction.

Should the District's needs require the construction of all eight remaining authorized schools, it is anticipated that the District would levy a portion of the authorized lease tax of \$0.383 per \$100 assessed valuation in 1976/77 to generate funds to pay architect-design costs (\$2,194,000), and site acquisition costs (\$2,355,000) for the eight remaining schools. Site development and construction costs of \$25,850,000, funded interest during construction, construction contingencies of 5 percent, costs of bond issuance, and additional funding to increase the bond service reserve to an amount equal to maximum annual debt service on all outstanding bonds would be funded from a subsequent series of bonds in the estimated principal amount of \$32,800,000.

The estimated maximum annual rental for a subsequent series of bonds in the principal amount of \$32,800,000 would be approximately \$3,225,000, assuming a bid of 8 percent interest on the bonds, and payment of the final maturity on July 1, 2000.

The tabulation below shows that at the projected assessed valuations for revenue purposes, the maximum tax rate required to fund estimated maximum annual rent obligations for all 22 authorized schools

would be \$0.359 per \$100 assessed valuation in 1978/79.

The lease authorization tax proposition approved by voters on November 5, 1974 empowers the District to: (1) levy the lease tax at a rate up to \$0.383 per \$100 assessed valuation during the years 1975/76 to 2002/03; and, (2) lease, by no later than November 5, 1977, all, or a portion of the 22 schools named in the proposition if it is advisable to do so. Present indications are that only five of the remaining eight authorized schools will be required to meet the District's facility needs.

These data are based on the following assumptions and estimates: (1) actual Project Phase II acquisition and construction costs as bid, (2) costs of subsequent Project Phase(s) as presently estimated, (3) an annual increase in the District's projected assessed valuation for revenue purposes equal to approximately 50 percent of the average annual increase in assessed valuation for revenue purposes experienced by the District from 1971/72 through 1975/76, (4) bids at the interest rate of 8 percent per annum on Bonds of Series B and subsequent series issued to finance the acquisition and construction of all authorized 22 schools, and (5) bond issues in principal amounts sufficient to meet estimated Project costs, including funded interest during construction and additional funding to increase the bond service reserve to an amount equal to maximum annual debt service on all outstanding bonds.

Fiscal Year	Projected Assessed Valuation for Revenue Purposes <sup>①</sup> (\$1,000's)	Estimated Annual Revenue Requirements <sup>②</sup>				All Project Phases Estimated Rental Tax Rate <sup>③</sup>
		Fixed Rent Bonds of Series A	Maximum Rent Bonds of Series B	Estimated Rent Bonds of Subsequent Series	Total	
1977/78 .....	\$2,755,800	\$3,349,280	\$3,744,350	\$ —	\$ 7,093,630	\$0.257
1978/79 .....	2,868,600	3,349,280	3,744,350	3,225,000	10,318,630	0.359
1979/80 .....	2,981,300	3,349,280	3,744,350	3,225,000	10,318,630	0.346
1980/81 .....	3,094,100	3,349,280	3,744,350	3,225,000	10,318,630	0.333
1981/82 .....	3,206,800	3,349,280	3,744,350	3,225,000	10,318,630	0.322

① Based on an increase from 1975/76 present assessed valuation for revenue purposes (\$2,530,357,597) at the annual rate of \$112,750,000, or approximately 50% of the average annual increase in assessed valuation for revenue purposes experienced by the District from 1971/72 to 1975/76.

② Based on the maximum permitted interest rate of 8 percent bid on the \$35,000,000 principal amount of Bonds of Series B currently offered for sale and an estimated 8 percent bid on \$32,800,000 principal amount of subsequent series of Bonds, plus fixed annual rent obligations for Project Phase I facilities resulting from issuance of Bonds of Series A.

③ Per \$100 assessed valuation.

## The Indenture

The following summary of major provisions of the Indenture under which the Bonds of Series B will be secured is presented below. The summary does not provide a complete and detailed description of all provisions of the Indenture and prospective purchasers of the Bonds of Series B are referred to the Indenture and the Basic Legal Documents accompanying the distribution of this Official Statement.

**The Trustee.** Southern California First National Bank, San Diego, California has been appointed by the Corporation as Trustee. The Trustee will receive all of the bond proceeds and revenues of the Corporation for disbursement in conformity with the Indenture. In addition to administering the various funds of the Corporation, the Trustee will invest all funds held in trust, act as paying agent for the Corporation's Bonds of Series B and act as bond registrar.

**Creation of Special Funds.** The Indenture provides for the establishment of special trust funds, all to be held and administered by the Trustee. These funds together with their sources and uses are summarized in the tabulation below. Moneys held in the various funds may be invested by the Trustee under the provisions of Section 4.04 of the Indenture.

**Disposition of Bond Proceeds.** The First Supplemental Indenture provides that the proceeds from the sale of the Bonds of Series B shall be deposited with the Trustee. The Trustee will then make the following deposits:

(1) *Interest Fund.* An amount sufficient to pay the interest accruing on the Bonds of Series B on and before July 1, 1977.

(2) *Reserve Fund.* A sum which, together with the balance then on deposit, shall equal maximum annual debt service on all Bonds then outstanding, including Bonds of Series B.

Fund	Principal Source	Use
Construction Fund (Section 3.03) . . . . .	Bond Proceeds	Construction, and incidental expenses of Bond issuance and delivery.
Revenue Fund (Section 4.01) . . . . .	District Base Rental Payments	Transfers to Interest Fund; Principal Fund; Principal Fund Sinking Fund Accounts; Operation and Maintenance Fund, if needed; Reserve Fund, if needed; and Corporate Operation Fund.
Interest Fund (Section 4.02(a)) . . . . .	Transfers from Revenue Fund	Bond interest payments.
Principal Fund (Section 4.02(b)) . . . . .	Transfers from Revenue Fund	Bond principal payments.
Principal Fund: Sinking Fund Accounts (Section 4.02(b) and Section 15.07) . . .	Transfers from Revenue Fund	Redemption of term Bonds at or prior to maturity.
Operation and Maintenance Fund (Section 4.02(c)) . . . . .	Transfers from Revenue Fund	To meet costs of operation and maintenance if at any time the Corporation shall operate and maintain the Project.
Reserve Fund (Section 4.02(d)) . . . . .	Bond Proceeds and, if depleted, Revenue Fund	Bond principal and interest; payment of final maturities.
Corporate Operation Fund (Section 4.03) .	Bond Proceeds and transfers from Revenue Fund	Corporate operating expenses.



(3) *Construction Fund.* The balance of proceeds from the sale of Bonds of Series B which shall be deposited into the Project Phase II Construction Account and shall be applied to the payment of costs of Project Phase II.

When Project Phase II has been completed, a certificate of the Corporation stating the fact and date of such completion, together with the Architect's certificate stating the fact and date of such completion, shall be delivered to the Trustee by the Corporation. With the receipt of these certifications the Trustee shall transfer any remaining balance not needed for Project Phase II purposes either, as directed by the Corporation, to the Revenue Fund, or to another Project Construction Account.

**Revenue Fund.** All rental revenue shall be paid to the Trustee and deposited by the Trustee to the credit of the Revenue Fund. Moneys in the Revenue Fund shall be disbursed, applied, or set aside by the Trustee in the following order of priority:

(1) *Interest Fund.* Commencing on or before December 30, 1976, and on or before June 30 and December 30 of each year an amount equal to the aggregate half-yearly amount of interest becoming due and payable on the outstanding Bonds on the next succeeding interest payment date.

(2) *Principal Fund.* Commencing on or before December 30, 1976, and on or before June 30 and December 30 of each year an amount equal to at least (a) one-half of the aggregate yearly amount of principal becoming due and payable on outstanding serial bonds the next succeeding July 1, plus (b) one-half of the aggregate of the Minimum Sinking Fund Account Payments to be paid during the twelve-month period ending on the next succeeding July 1.

(3) *Operation and Maintenance Fund.* If the Corporation shall at any time operate the Project, on or before each June 30 and each December 30 the Trustee shall deposit an amount needed to provide for payment of all costs of operation and maintenance during the next six months.

(4) *Reserve Fund.* Moneys in this Fund shall be held by the Trustee and shall be used to pay bond principal and interest in the event no other funds are available, and moneys in this Fund in excess of one-half of maximum annual debt service may be used for the repair, reconstruction, or replacement of any damaged or

destroyed portion of the Project or for the loss of rental income not insured against because of the thirty-day deductible amount. Excess balances in this Fund shall be used to the extent needed to increase the balance in the Corporate Operation Fund to the amount required to be on deposit in said Fund and any remaining excess amounts shall be paid to the District.

(5) *Corporate Operation Fund.* An amount necessary to maintain a balance of \$15,000 in this Fund.

Moneys in the Reserve Fund, Principal Fund, and Interest Fund may be used by the Trustee to reimburse the District for any rental payable under any Facility Lease for a period during which rent is abated and for which no other moneys (including proceeds of the rental interruption or use and occupancy insurance) are available.

**Investment of Funds.** All moneys held by the Trustee in any of the funds established pursuant to the Indenture may be held in demand or time deposits, and if so shall be secured at all times by collateral security having a market value at least equal to the amount required by law.

Moneys in such funds may also be invested in authorized investments (as defined in the Indenture) including Federal securities or certificates of deposit of banks, maturing prior to the dates required for withdrawal of funds.

All interest earned on any such investment shall become part of the fund on which earned, except that such interest earnings received or accrued during construction of any phase of the Project shall be transferred to the Project Construction Account established for such Phase of the Project.

**Additional Series of Bonds.** Section 3.04 of the Indenture permits the issuance of one or more additional series of bonds by supplemental indenture(s) subject to, among other things, the following conditions:

(1) The Corporation shall not be in default under provisions of the Indenture;

(2) The supplemental indenture shall require that the additional series of bonds will be issued for the purposes of acquiring or constructing additional public school facilities for the District, or the making of additions, improvements, or extensions to the Project;

(3) The additional series of bonds shall have no priority over the Bonds of prior series;

(4) The Corporation must enter into a new or amended Facility Lease with the District in which the District obligates itself to increase the base rental under all Facility Leases in amounts sufficient to provide for the payment of the principal of and interest on the additional series of bonds when due;

(5) Provision must be made to increase the Reserve Fund to an amount equal to at least the maximum annual bond service on all series of bonds to be outstanding thereafter.

**Title Insurance.** A policy of title insurance insuring either the leasehold interest title of the Corporation in the real property described in the Site Lease (Project Phase II) or the title of the District in such real property will be provided at or prior to delivery of the Bonds of Series B. Said policy will be enforceable for the benefit of the bondholders of all series in the principal amount of the Bonds of Series B.

**Fire and Extended Coverage Insurance.** While any of the Bonds are outstanding, the Corporation shall cause to be maintained insurance against loss or damage to any structures constituting part of the Project by fire and lightning with extended coverage and vandalism and malicious mischief insurance. Such insurance shall either (1) be in an amount equal to the replacement cost of the structures subject to deductible clauses of not to exceed the lesser of \$100,000 or the excess of the moneys in the Reserve Fund above one-half of maximum annual debt service for any one loss, or (2) be in an amount and in form sufficient to enable the Corporation either to retire all Bonds then outstanding or to restore the structures to the condition existing before such loss.

**Public Liability Insurance.** While any of the Bonds are outstanding the Corporation shall cause to be maintained public liability insurance. Minimum liability limits for such insurance are \$5,000,000 for personal injury or death of one person; \$10,000,000 for personal injury or death of two or more persons in each event; and \$200,000 subject to a deductible clause not to exceed \$5,000, for property damage from each event. Such public liability and property damage insurance may however be in the form of a single limit policy in the amount of \$10,000,000 covering all such risks. Such liability insurance may be maintained in conjunction with any other liability insurance carried by the District.

**Use and Occupancy Insurance.** While any of the Bonds are outstanding the Corporation shall cause to be maintained use and occupancy insurance to cover total or partial loss of the use of the Project facilities resulting from the above-described perils in an amount sufficient to pay the total rental due for the period of time allowed for the construction of the structures by the construction contractor plus three months subject to a deductible clause of thirty days.

**Earthquake Insurance.** Upon completion of each Phase of the Project, the Corporation shall procure and maintain earthquake insurance in an amount equal to the replacement cost of the structures, provided coverage is available on the open market from reputable insurance companies. Such earthquake insurance may be subject to a deductible clause not to exceed 10 percent of replacement cost for any one loss. Alternatively, the Corporation may provide earthquake insurance in an amount and form to enable the Corporation either to retire all Bonds then outstanding or to restore the structures to the condition existing before such loss.

**Eminent Domain.** If all or any part of the trust estate shall be taken by eminent domain proceedings, or sold under threat thereof, the proceeds therefrom shall be deposited with the Trustee and applied and disbursed as follows: (a) to be treated as revenues of the Project if the Project's operation has not been materially affected or the Corporation's ability to meet its obligations has not been impaired; or the proceeds shall be used if needed for repair or rehabilitation of the Project; (b) to be used to redeem Bonds if less than all of the Project shall have been taken by eminent domain and if the Project's operation has been materially affected, or the Corporation's ability to meet its obligations has been impaired; and (c) if all of the Project shall have been taken by eminent domain, the proceeds therefrom and any other available monies shall be used to redeem Bonds. If said monies are insufficient the Trustee shall apply the proceeds to meet the Trustee's costs of litigation and administration of its trusts under the Indenture, payment of principal and interest on the Bonds then outstanding, in full or ratably without preference or priority.

**Additional Covenants.** The Indenture contains other covenants, including but not limited to, the following whereby the Corporation agrees to:

(1) Punctually pay the principal and interest on the Bonds as they become due;



(2) Promptly collect all rents and charges due for the occupancy or use of the Project and to enforce its rights against any tenant who does not pay such rents and charges as they become due;

(3) Maintain, or cause to be maintained, proper books of record and account;

(4) Maintain, or cause to be maintained, in good condition and repair the Project facilities;

(5) Construct and complete Project Phase II in conformity with the construction contracts (under the construction contracts 100% performance bonds and 100% labor and materialmen's bonds will be required of the contractor);

(6) Pay, discharge, or contest any taxes, assessments, or other charges upon the Project or the revenues.

### Estimated Annual Bond Service

Table 2 shows annual bond service on the Corporation's \$35,000,000 Bonds of Series B based on the 8 percent maximum interest rate that may be bid on the Bonds of Series B. The maximum annual base rent payable by the District to the Corporation to service the Bonds of Series B is \$3,734,350. Also shown is actual bond service on the Corporation's Bonds of Series A. Annual base rent payable to the Corporation by the District to service the Bonds of Series A is fixed at \$3,339,280.

**Table 2**

#### **SAN DIEGO UNIFIED SCHOOL DISTRICT PUBLIC SCHOOL BUILDING CORPORATION BONDS OF SERIES B Estimated Annual Bond Service at Maximum Interest Rate**

Year Ending July 1	Bonds of Series B				Maximum Bond Service	Series A Bonds Actual Bond Service	Total Maximum Bond Service
	Bonds Outstanding	Maximum Interest @ 8%	Principal Maturing or Subject to Mandatory Redemption	Premium			
1976 ...	\$35,000,000	\$ 2,100,000 <sup>①</sup>	\$ —	\$ —	\$ 2,100,000.00 <sup>①</sup>	\$ 2,724,675.00 <sup>②</sup>	\$ 4,824,675.00
1977 ...	35,000,000	2,800,000 <sup>①</sup>	—	—	2,800,000.00 <sup>①</sup>	3,274,675.00	6,074,675.00
1978 ...	35,000,000	2,800,000	900,000	—	3,700,000.00	3,280,675.00	6,980,675.00
1979 ...	34,100,000	2,728,000	1,000,000	—	3,728,000.00	3,282,675.00	7,010,675.00
1980 ...	33,100,000	2,648,000	1,050,000	—	3,698,000.00	3,280,675.00	6,978,675.00
1981 ...	32,050,000	2,564,000	1,150,000	—	3,714,000.00	3,324,675.00	7,038,675.00
1982 ...	30,900,000	2,472,000	1,250,000	—	3,722,000.00	3,310,675.00	7,032,675.00
1983 ...	29,650,000	2,372,000	1,350,000	—	3,722,000.00	3,292,675.00	7,014,675.00
1984 ...	28,300,000	2,264,000	1,450,000	—	3,714,000.00	3,320,675.00	7,034,675.00
1985 ...	26,850,000	2,148,000	1,600,000	—	3,748,000.00	3,290,675.00	7,038,675.00
1986 ...	25,250,000	2,020,000	1,700,000	—	3,720,000.00	3,309,300.00	7,029,300.00
1987 ...	23,550,000	1,884,000	1,850,000	—	3,734,000.00	3,306,900.00	7,040,900.00
1988 ...	21,700,000	1,736,000	2,000,000	—	3,736,000.00	3,318,825.00	7,054,825.00
1989 ...	19,700,000	1,532,000	2,200,000 <sup>③</sup>	35,750.00	3,767,750.00	3,272,512.50	7,040,262.50
1990 ...	17,500,000	1,353,000	2,350,000 <sup>③</sup>	32,312.50	3,735,312.50	3,323,175.00	7,058,487.50
1991 ...	15,150,000	1,161,000	2,550,000 <sup>③</sup>	28,687.50	3,739,687.50	3,312,000.00	7,051,687.50
1992 ...	12,600,000	953,000	2,750,000 <sup>③</sup>	24,062.50	3,727,062.50	3,343,287.50	7,070,350.00
1993 ...	9,850,000	728,000	3,000,000 <sup>③</sup>	18,750.00	3,746,750.00	3,363,025.00	7,109,775.00
1994 ...	6,850,000	483,000	3,250,000 <sup>③</sup>	12,187.50	3,745,187.50	3,371,212.50	7,116,400.00
1995 ...	3,600,000	216,000	3,600,000 <sup>③</sup>	4,500.00	3,820,500.00	3,367,850.00	7,188,350.00
1996 ...	—	—	—	—	—	3,402,600.00	3,402,600.00
1997 ...	—	—	—	—	—	3,421,950.00	3,421,950.00
1998 ...	—	—	—	—	—	3,425,900.00	3,425,900.00
1999 ...	—	—	—	—	—	3,463,737.50	3,463,737.50
2000 ...	—	—	—	—	—	3,482,325.00	3,482,325.00
Totals		<u>\$36,962,000</u>	<u>\$35,000,000</u>	<u>\$156,250.00</u>	<u>\$72,118,250.00</u>	<u>\$82,867,350.00</u>	<u>\$154,985,600.00</u>

① Funded from Bonds of Series B proceeds.

② Funded from Bonds of Series A proceeds.

③ Term bonds callable on and after January 1, 1989 and subject to mandatory call and redemption from Sinking Fund payments beginning January 1, 1989.



Architect's rendering of Project Phase II junior-senior high schools (cover and above) by Neptune & Thomas Associates, San Diego.



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# THE PROJECT

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At an election held on November 5, 1974, voters of the District approved an increase of \$0.383 per \$100 assessed valuation in the maximum tax rate of the District for the years 1975/76 to 2002/03 for purposes of purchasing school sites not then owned by the District, preparing plans and specifications, and leasing the following fully furnished, equipped, and landscaped schools: (1) fifteen elementary schools, (2) one junior high school, (3) two junior-senior high schools, (4) one senior high school, and (5) three career education center additions. This voter-approved building program is the largest ever to be undertaken in the District.

## Organization for Project Implementation

To facilitate the timely implementation of the voter approved building program, the Board of Education of the San Diego Unified School District adopted an organization plan designated as the "San Diego Schools Project Design, Management, and Construction Team."

Dr. Thomas A. Shannon, Deputy Superintendent for Administration since July 1, 1973, has been designated Project Coordinator, responsible to Dr. Thomas L. Goodman, Superintendent, and the Board of Education. From 1962 to 1973, Dr. Shannon was the Schools Attorney for the District and the San Diego Community College District. He has served as President of the National Organization on Legal Problems of Education; Chairman, Council of School Attorneys of the National School Boards Association; Legal Counsel, Association of California School Administrators; Legal Counsel, American Association of School Administrators; and Chairman, Advisory Committee to Revise School District Lease-Purchase Laws, California Assembly Education Committee.

As Project Coordinator, Dr. Shannon is responsible for the overall direction and coordination of Project implementation activities of the District Construction Management Team; Finance Department

and operating divisions of the District; Schools Attorney's Office; and coordination with the San Diego Unified School District Public School Building Corporation. Dr. Shannon is assisted by the following District staff:

*Mr. Charles T. Glenn, Assistant Superintendent, Business Services Division.* Mr. Glenn, who holds an M.B.A. degree from Stanford University Graduate School of Business, has had 26 years of professional school business management experience. The Business Services Division under Mr. Glenn's direction is responsible for all phases of the construction program and the coordination of activities of the District's Land and Facilities Planning Department and Facilities Planning Committee.

*Dr. Harold W. Culver, Director of Land and Facilities Planning.* Dr. Culver holds the degree of Ed.D. from the University of California at Los Angeles and has been Director of the Land and Facilities Planning Department since 1958. Construction of the Project will be under the direct supervision of Dr. Culver.

*Mr. Ronald Oakes, Controller.* Mr. Oakes, who holds an M.B.A. degree in Business Administration from the Harvard Graduate School of Business Administration, has had over 20 years of experience in private business as controller and chief financial administrator. Mr. Oakes will direct Project budgeting, accounting, and related financial planning functions for the District.

*Mr. Ralph D. Stern, Schools Attorney.* Mr. Stern holds a Juris Doctor degree from the University of Chicago Law School. He was selected as Assistant Schools Attorney in 1971 and has held the position of Schools Attorney since July 1, 1973. Mr. Stern is responsible for legal affairs of the District as they relate to Project implementation.

In addition to the above, other selected District staff personnel who provide assistance include Mr. J. V. Ward, Facilities Planning Coordinator, Business Services Division; Mr. Richard E. Canner, Schools Architect; and Mr. Fred A. Johnson, Construction Supervisor, and Mr. Lewis E. Gary, Material Control and Warehousing Director.

Important advisory and liaison services are also provided by Mr. Richard W. Oliver, Director, Elementary Division, and Mr. Philip A. Petersen, Director, Secondary Division.

## Project Phases and Bond Series

The Board of Education has grouped the voter approved 22 school building program into the following phases for Project implementation purposes:

*Project Phase I.* Immediate acquisition and construction of eleven permanent elementary schools to house students presently attending classes in portable buildings. On July 9, 1975, the Corporation sold Bonds of Series A in the principal amount of \$37,250,000 to finance construction of Project Phase I facilities.

*Project Phase II.* Immediate construction of one permanent junior high school and two permanent junior-senior high schools to house secondary grade students who are currently attending classes in portable facilities, or being transported to facilities outside their residential areas.

The \$35,000,000 principal amount of the Corporation's Bonds of Series B are being offered for sale to provide funds for the acquisition and construction of Mira Mesa Junior-Senior High School, Junipero Serra (Tierrasanta) Junior-Senior High School, and Standley Junior High School.

*Subsequent Phase(s).* The remaining eight schools of the authorized 22 school building programs (one senior high school, four elementary schools, and three career education center additions) have been designated as Subsequent Phase(s) project elements. All or only a portion, of these remaining eight schools may be constructed, dependent on the District's immediate future need for facilities in areas that are undergoing development. The present projected needs seem to indicate that only two of the originally planned four elementary schools and two of the originally planned three career education centers will be constructed. The lease tax authorization ballot proposition approving the leasing of 22 schools contained the proviso that the District could lease less than all of the schools designated in the lease tax authorization ballot proposition if circumstances required.

## 1975/76 Lease Authorization Tax Levy

The District has levied in 1975/76 the voter-approved maximum lease authorization tax rate of \$0.383 per \$100 assessed valuation to fund a portion of Project Phase I and Project Phase II costs on a cash basis. Proceeds from the 1975/76 levy

are anticipated to yield approximately \$8,234,199. The following amounts are budgeted to pay a portion of Project Phase I and Project Phase II costs:

Item	Estimated Amount
Phase I Project Equipment .....	\$1,675,000
Phase II Project Equipment .....	2,618,000
Phase II Project Site Preparation .....	1,134,000
Phase I Project Site Acquisition Costs..	1,500,000
Construction Inspection Costs .....	671,000
Preparation of Plans and Specifications	152,000
Other Applicable Project Costs .....	484,199 <sup>①</sup>
Total .....	\$8,234,199

<sup>①</sup> Includes related project costs for accounting, data systems, purchasing, materials control, miscellaneous equipment, stores administration, and duplicating services functions.

## Bonds of Series B Requirement

On July 31, 1975, the District received competitive sealed construction bids for the Standley Junior High School. On August 21, 1975 the District received competitive sealed bids for the construction of Junipero Serra (Tierrasanta) and Mira Mesa Junior-Senior high schools which represent the remainder of the Project Phase II. On the basis of the bid prices, the Corporation has, on the advice of the District, issued letters of intent to enter into construction contracts with Louetto Construction, Inc. of Escondido, California, for the construction of the Standley Junior High School at a cost of \$5,121,000; P. H. Lusardi Const. Co. of San Marcos, California for the construction of Mira Mesa Junior-Senior High School at a cost of \$9,437,000; and Nielsen Construction Company of San Diego, California for the construction of Junipero Serra (Tierrasanta) Junior-Senior high school at a cost of \$9,348,381.

Upon delivery of the Bonds of Series B the Corporation will enter into construction contracts with Louetto Construction, Inc., P. H. Lusardi Const. Co., and Nielsen Construction Company for construction of Project Phase II facilities in accordance with plans and specifications prepared by consulting architects and approved by the District. The State



Office of Architecture and Construction has also approved plans and specifications for the Project Phase II facilities and certified their conformance to fire, safety, and earthquake structural safety standards.

Contractors for Project Phase II facilities will furnish 100% faithful performance and 100% labor and materialmen's bonds. The contractors are also required to carry insurance under terms of the construction contract including earthquake, fire, public liability, property damage, and workmen's compensation during the construction period and until the facilities have been accepted by the District and

the Corporation. The Corporation will maintain extended coverage during the construction period.

Construction of the Project Phase II facilities is programmed to provide for the completion of all three schools by December 1976. The construction schedule contains specific deadlines for the completion of various phases of construction in accordance with a critical path construction schedule developed by W. H. Golden Co., San Diego, construction manager for the two junior-senior high schools.

The tabulation below shows the estimated cost of Project Phase II and the principal amount of Bonds of Series B to be issued by the Corporation.

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**SAN DIEGO UNIFIED SCHOOL DISTRICT**  
**PUBLIC SCHOOL BUILDING CORPORATION**  
**Bonds of Series B Requirement**

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Construction per bids	
a. Standley Junior High School .....	\$5,121,000
b. Junipero Serra (Tierrasanta) Junior-Senior High School .....	9,348,381
c. Mira Mesa Junior-Senior High School .....	9,437,000
	<hr/>
	\$23,906,381
Architects' fees .....	1,413,566
Construction management fees .....	436,000
Contingency @ 3% .....	772,678
Subtotal .....	<hr/>
	\$26,528,625
Financing consultant and costs of issuance .....	45,000
Legal fees, legal printing, securities qualification costs .....	75,000
Title insurance .....	35,000
Extended coverage insurance .....	20,000
Subtotal .....	<hr/>
	\$26,703,625
Funded interest (21 months through July 1, 1977) @ 8% ) .....	4,900,000
Bond service reserve .....	3,820,500
Allowance for discount bid on Bonds .....	525,000
Overall project contingency .....	266,475
Subtotal .....	<hr/>
	\$36,215,600
Less: Investment income @ 6% on construction fund, reserve fund, funded interest .....	1,215,600
BONDS OF SERIES B REQUIREMENT .....	<hr/>
	\$35,000,000

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# DISTRICT ORGANIZATION AND FINANCIAL DATA

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## Organization

The San Diego Unified School District provides elementary and secondary school educational services to residents of a 196 square-mile area that includes most of the City of San Diego and a small adjoining unincorporated area. The City of San Diego, founded in 1769, is the oldest city in the State of California. The District has operated as a School District under the Laws of the State of California continuously since 1936. The District is governed by an independent Board of Education of five members who are elected at large for overlapping four-year terms. The Superintendent, who is appointed by the Board of Education, administers the District's affairs in accordance with policies of the Board of Education. The present superintendent, Dr. Thomas L. Goodman, has served the District in this capacity since 1971. Dr. Goodman has had more than 20 years of professional experience in public education and administration.

Dr. Goodman is directly assisted by Dr. Thomas A. Shannon, Deputy Superintendent for Administration who acts as Superintendent in the absence of Dr. Goodman, and Dr. William H. Stegeman, Deputy Superintendent for Operations.

## Facilities and Attendance

The District's facilities include 123 elementary schools, 18 junior high schools, 12 senior high schools, 3 continuation schools, 15 pre-school children centers, and 4 special education centers. The District's 1975/76 budget, which exceeds \$240,000,000 provides for the employment of 5,795 full-time certificated, 3,549 full-time classified, 382 administrative, and 5,300 part-time certificated and classified employees. The District estimates 1975/76 enrollments at 125,877. Table 3 shows District assessed valuations, average daily attendance, and assessed valuation per student in average daily attendance since 1971/72. These data indicate the District's assessed valuation increased approximately 55.4 per-

cent and assessed valuations per unit of average daily attendance increased approximately 62.8 percent. Average daily attendance estimated at 125,877 in 1975/76 represents a decrease of approximately 4.7 percent since 1971/72.

## Assessed Valuations

The San Diego County Assessor assesses property for District tax purposes. District taxes are collected by the County Treasurer at the same time and on the same tax rolls as are city, county and special district taxes. Taxes on the secured roll are payable in two installments on November 1 and February 1, and become delinquent on December 10 and April 10, respectively. Unsecured roll property taxes are payable March 1, and become delinquent the following August 31.

The State Board of Equalization reports the 1975/76 San Diego County valuations to average 24 percent of full market value, except for public utility property, which is assessed by the State at 25 percent of full value.

Under amendments to the Constitution and Statutes of the State of California, two types of exemptions of property from ad valorem taxes became effective in the 1969/70 fiscal year. One exempts 50 percent of the value of business inventories from ad valorem taxes. The other provides for an exemption of \$1,750 of the assessed valuation of an owner-occupied dwelling if the owner files for the exemption. Revenue estimated to be lost to each taxing entity as a result of these exemptions is fully reimbursed to the taxing entity from state funds. The reimbursement is based upon total taxes which would be due on the assessed valuation of the property qualifying for these exemptions, without allowance for tax collection delinquencies.

In 1975/76, District homeowners' and business inventory exemptions totaled \$269,354,354. Table 4 shows a five-year history of the District's assessed valuations by the tax roll prior to deductions for the two previously discussed special exemptions.



Table 3

## SAN DIEGO UNIFIED SCHOOL DISTRICT

## Assessed Valuation and Average Daily Attendance

Fiscal Year	Assessed Valuation	Average Daily Attendance <sup>①</sup>	Assessed Valuation Per Unit Average Daily Attendance
1971/72 .....	\$1,628,298,774	131,846	\$12,350
1972/73 .....	1,786,000,013	129,338	13,809
1973/74 .....	2,017,626,550	127,341	15,844
1974/75 .....	2,282,975,632 <sup>②</sup>	126,360	18,067
1975/76 .....	2,530,357,597 <sup>②</sup>	125,877 <sup>③</sup>	20,101

① Includes summer enrollments.

② Net after adjustment for redevelopment agency increment.

③ Estimated during the period September 1975 through June 1976.

Sources: San Diego County Auditor and Controller (Assessed Valuations), and San Diego Unified School District (Average Daily Attendance).

Table 4

## SAN DIEGO UNIFIED SCHOOL DISTRICT

## Assessed Valuations by Tax Roll

Tax Roll	1971/72	1972/73	1973/74	1974/75	1975/76
Secured roll .....	\$1,314,278,637	\$1,438,932,714	\$1,639,532,682	\$1,873,503,429	\$2,066,764,186
Unsecured roll ....	210,148,257	238,680,799	266,031,948	295,263,013	340,806,991
Utility roll .....	103,871,880	108,386,400	112,061,920	114,209,190	122,786,420
Total .....	\$1,628,298,774	\$1,786,000,013	\$2,017,626,550	\$2,282,975,632 <sup>①</sup>	\$2,530,357,597 <sup>①</sup>

① Net after adjustment for redevelopment agency increment.

Source: San Diego County Auditor and Controller.

## Revenue Limitations

Since 1973/74, California school districts have operated under general purpose property tax revenue limitations established in legislation adopted in 1973. This legislation does not affect property tax rates required to meet general obligation bond service requirements or a voter-approved maximum tax rate to enable a school district to lease facilities for its use and occupancy. Essentially, school districts are no longer subject to fixed statutory general purpose tax rate limits. Since 1973/74 allowable annual tax rates to be applied to a district's assessed valuation have been based on a revenue limit per unit

of average daily attendance. The 1974/75 limit per unit of average daily attendance for the San Diego Unified School District was \$910.59. In 1975/76, the District's revenue limit per unit of average daily attendance is \$994.28. A school district's revenue limit may be adjusted annually on the basis of the following factors: an adjustment for inflation, state aid, loss of any federal funding, mandatory contribution increases to the Teachers Retirement System, loss in units of average daily attendance, changes in the assessed valuation of the District, and prior year's revenue limits and maximum tax rates.

On November 5, 1974, voters of the District approved a measure to increase the District's revenue limit per unit of average daily attendance by \$24 for a five-year period beginning in 1975/76 for purposes of land acquisition, installation of intrusion alarm equipment at District schools, the removal of site deficiencies, and modification of existing facilities.

## Tax Rates

The District's 1975/76 tax rate per \$100 is \$4.848, consisting of \$3.837 for general non-categorical purposes; \$0.251 for bond interest and redemption; and \$0.760 for other categorical purposes as shown in Table 5.

The \$0.760 tax rate in 1975/76 for other categorical purposes includes the initial levying of: (1)

the November 5, 1974 voter approved lease authorization maximum tax rate increase of \$0.383 per \$100 assessed valuation, and (2) \$0.142 per \$100 assessed valuation pursuant to the November 5, 1974 voter approved \$24 increase in the District's revenue limit per unit of average daily attendance for the five-year period beginning in 1975/76 for purposes of land acquisition, installation of intrusion alarm equipment at District schools, removal of site deficiencies, and modification of existing facilities.

Tax Code Area 8001 (1975/76 secured assessed valuation of \$1,647,659,293) represents 75.3 percent of the District's 1975/76 secured assessed valuation. Total tax rates per \$100 assessed valuation in this tax code area for the past five years are shown in Table 6. The total tax rate in this code area has ranged during the past five years from a high of \$10.179 in 1971/72 to a low of \$9.833 in 1974/75.

**Table 5**  
**SAN DIEGO UNIFIED SCHOOL DISTRICT**  
**Property Tax Rates**

	1971/72	1972/73	1973/74	1974/75	1975/76
General Non-Categorical .....	\$4.139	\$4.185	\$4.015	\$3.818	\$3.837
Bond Interest and Redemption .....	.387	.377	.291	.253	.251
Other Categorical① .....	.129	.256	.328	.465	.760
<b>Total .....</b>	<b>\$4.655</b>	<b>\$4.818</b>	<b>\$4.634</b>	<b>\$4.536</b>	<b>\$4.848</b>

① Earthquake safety; meals for needy; community services; State School Building loan repayment; child development; development center; voter-approved modifications of existing facilities (initially effective in 1975/76); and eligible equipment, site acquisition, site preparation, and preparation of plans and specifications of voter approved facilities to be leased (initially effective in 1975/76).

Source: San Diego Unified School District.

**Table 6**  
**TAX CODE AREA 8001**  
**Property Tax Rates**

Entity or Purpose	1971/72	1972/73	1973/74	1974/75	1975/76
San Diego County .....	\$ 2.939	\$ 2.711	\$2.711	\$2.691	\$ 2.621
City of San Diego .....	1.809	1.744	1.753	1.753	1.733
San Diego Unified School District .....	4.655	4.818	4.634	4.536	4.848
Other Educational Purposes .....	.776	.803	.831	.853	.828
<b>Total .....</b>	<b>\$10.179</b>	<b>\$10.106</b>	<b>\$9.929</b>	<b>\$9.833</b>	<b>\$10.030</b>

Source: San Diego County Auditor and Controller.



## Tax Levies, Collections, and Delinquencies

Table 7 shows a five-year history of the District's

secured tax levies, current collections, the current rate of tax delinquency and total collections as reported by the County Auditor and Controller.

**Table 7**

### SAN DIEGO UNIFIED SCHOOL DISTRICT

#### Secured Tax Levies, Collections, and Delinquencies

Fiscal Year	Secured Tax Levy	Amount Collected (June 30)	Amount Delinquent (June 30)	Percent Delinquent (June 30)	Total Collections (June 30)①	Percent Collected
1970/71 .....	\$49,532,588	\$49,067,204	\$ 465,384	0.94%	\$49,679,107	100.30%
1971/72 .....	57,683,653	57,241,299	442,354	0.77	57,772,572	100.15
1972/73 .....	65,642,595	65,064,206	578,389	0.88	65,953,517	100.47
1973/74 .....	67,348,542	65,882,564	1,465,979	2.18	67,525,394	100.26
1974/75 .....	76,176,542	74,329,163	1,847,395	2.43	75,445,351	99.04

① Includes prior years' redemptions, penalties, and interest on secured and unsecured rolls.

Source: San Diego County Auditor and Controller.

## General Fund Revenues, Expenditures and Fund Balances

Table 8 summarizes the District's General Fund Revenues and Expenditures over the past three years.

Beginning in 1974/75 all school districts in the State of California are required to follow accounting and financial reporting procedures in accordance with revenue source categories and expenditure object code classifications prescribed by the California State Accounting Manual. School district expenditure data for fiscal year 1972/73 and 1973/74, originally recorded on a functional basis, has been restated on the bases of object code classifications contained in the California State Accounting Manual.

The net ending balance of the District's General Fund as of June 30, 1975 was \$8,892,141.

## Bonding Capacity and Debt Statement

The State of California Education Code provides that a unified school district shall not enter into any long term leases of buildings if the combination of: (a) 50 percent of the District's rental payments under such leases, plus (b) the outstanding district general obligation bonded indebtedness, exceeds 12.5 percent of the district's net taxable assessed valuation plus homeowners' and business inventories exemptions.

Based on the District's 1975/76 assessed valuation for this purpose (\$2,530,357,597) the 12.5 percent limit of anticipated lease rentals and general obligation bonded debt equals \$316,294,699.

Fifty percent of the District's aggregate rental payment obligations resulting from the issuance of the Corporation's Series A Bonds total \$40,191,360. Fifty percent of the maximum aggregate lease rentals payable by the District under the Project Phase II Facility Lease, assuming the permitted maximum interest rate of 8 percent is bid on the Bonds of Series B, will equal \$33,699,150. The tabulation below shows that fifty percent of the District's lease rental obligation upon delivery of the Bonds of Series B, plus general obligation bonded debt then outstanding will approximate 36 percent of the District's general obligation bonded debt and lease rental limitation.

### ESTIMATED DISTRICT OBLIGATIONS

October 1, 1975

	Amount
General Obligation Bonds Outstanding	\$ 40,123,500
Fifty-Percent of Aggregate Lease Rentals	
a. Project Phase I Facility Lease ..	\$ 40,191,360
b. Project Phase II Facility Lease .	\$ 33,699,150
Total .....	\$114,014,010

The direct and estimated overlapping bonded debt of the District, based on 1974/75 assessed valuations, is shown in Table 9. The District's general obligation bonded debt, plus the \$35,000,000 prin-

cipal amount of the Corporation's Bonds of Series B and \$37,250,000 Bonds of Series A are shown for informative purposes only since bonds of the Corporation are not a debt or obligation of the District.

**Table 8**

**SAN DIEGO UNIFIED SCHOOL DISTRICT**

**Summary of General Fund Receipts and Expenditures**

	1972-73	1973-74	1974-75
Beginning Balance .....	\$ 6,741,668	\$ 7,023,548	\$ 12,609,344
Revenues			
Federal Income .....	\$ 13,846,437	\$ 14,818,113	\$ 18,404,445
Federal and State Income .....	610,245	2,344	—0—
State Income .....	38,576,593	49,578,519	52,314,747
County Income .....	942,442	1,110,169	1,548,734
Property Taxes .....	74,787,303	74,628,720	81,844,276
Other Local Income .....	1,535,526	2,745,325	5,790,286
Incoming Transfers .....	—0—	—0—	13,243
Subtotal .....	\$130,298,546	\$142,883,190	\$159,915,731
Total Revenues Available .....	\$137,040,214	\$149,906,738	\$172,525,075
Expenditures			
Certificated Salaries .....	\$ 85,209,800	\$ 88,515,454	\$ 97,959,249
Classified Salaries .....	20,723,673	21,198,099	25,395,333
Employees Benefits .....	9,895,750	10,759,724	13,395,680
Books, Supplies and Equipment Replacement .....	5,588,921	5,214,933	7,754,620
Contracted Services and Other Operating Expenses ....	4,194,442	5,402,986	6,600,828
Sites, Buildings, Books and Media, and Equipment ....	3,068,131	3,851,904	6,050,071
Other .....	1,335,949	2,354,294	6,477,153
Total Expenditures .....	\$130,016,666	\$137,297,394	\$163,632,934
Ending Balance .....	\$ 7,023,548	\$ 12,609,344	\$ 8,892,141

Source: San Diego Unified School District Audit Reports.



Table 9

## SAN DIEGO UNIFIED SCHOOL DISTRICT

Statement of Direct and Estimated Overlapping Bonded Debt<sup>①</sup>

Estimated Population .....	770,527		
1974/75 Assessed Valuation .....	\$2,282,975,632 <sup>②</sup>		
Estimated Real Value .....	\$8,600,000,000 <sup>③</sup>		
Public Entity	Percent Applicable	Estimated Date Applicable October 1, 1975	
San Diego County .....	45.441%	\$	2,215,249 <sup>④</sup>
San Diego County Building Authorities .....	45.441		899,732
San Diego County Water Authority .....	48.187		26,819,386
Metropolitan Water District .....	6.362		34,994,881
San Diego Community College District .....	100.000		6,736,500
San Diego Unified Port District .....	76.779		46,689,310
San Diego Unified School District (1951-1960A Issues) .....	99.782-99.992		11,477,500
San Diego Unified School District (Subsequent Issues) .....	100.000		100,896,000 <sup>⑤</sup>
Other School and Junior College Districts .....	Various		273,760
City of San Diego .....	90.382		41,135,560 <sup>⑥</sup>
City of San Diego Authorities .....	90.382		24,733,034
Other Cities and Special Districts .....	Various		5,497,687
GROSS DIRECT AND OVERLAPPING BONDED DEBT .....			\$302,368,599
Less: Self-Supporting Metropolitan Water District and San Diego County Water Authority Water Bonds .....			61,404,543
City of San Diego Water Bonds .....			2,304,741
San Diego Unified Port District (100% self-supporting) .....			46,689,310
NET DIRECT AND OVERLAPPING BONDED DEBT .....			\$191,970,005
	Ratio to		
	Assessed Valuation	Real Value	Per Capita
Assessed valuation .....	—	—	\$2,963
Direct debt .....	4.92%	1.31%	146
Net direct and estimated overlapping bonded debt .....	8.41	2.23	249

① Prepared in cooperation with California Municipal Statistics Inc.

② Includes homeowners' and business inventory exemptions of \$253,114,577.

③ The State Board of Equalization reports that 1974/75 assessed valuations in San Diego County average 26.6 percent of market value. Public utility property (\$114,209,190) is assessed by the State Board of Equalization at 25 percent of market value.

④ Excludes share of \$6,070,500 San Diego County (\$2,758,496) and \$12,824,159 City of San Diego Community Concourse (\$11,590,731) obligations.

⑤ Includes \$37,250,000 Bonds of Series A of the Corporation dated July 1, 1975 and \$35,000,000 Bonds of Series B of the Corporation to be sold September 30, 1975.

⑥ Excludes water and sewer revenue bonds.



Panoramic View of San Diego Skyline From the Shelter Island Recreational Area.



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# ECONOMY OF THE DISTRICT

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The San Diego Unified School District provides elementary and secondary grade school services for most of the City of San Diego (more than 90 percent of the City's assessed valuation lies within the District), and a small adjoining unincorporated territory. This portion of the Official Statement is therefore concerned primarily with the City of San Diego, which contains approximately half the total population of San Diego County.

## City of San Diego

The City of San Diego is located 125 miles south of Los Angeles and 500 miles south of San Francisco. It grew out of the first California mission—Mission San Diego de Alcalá—founded in 1769. San Diego was incorporated in 1850, the year California entered the Union. The city covers a large part of the southwestern coastal area of San Diego County. The city limits extend to the Mexican border through the communities of Chula Vista, National City, and Imperial Beach. The total area of the city is approximately 389 square miles, including 72 square miles of water.

## Population

San Diego's population in April 1975 was 770,527, according to a special census by the State Department of Finance. The city's population more than doubled between 1950 and 1970, with almost two-thirds of the net increase occurring in the decade of the fifties. U. S. Census tabulations through 1970 for the City of San Diego and San Diego County are shown in Table 10.

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**Table 10**  
**Population Data**

U.S. Census	City of San Diego	County of San Diego
1940 .....	203,341	289,348
1950 .....	334,387	556,808
1960 .....	573,224	1,033,011
1970 .....	696,769	1,357,854

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## Housing

The 1970 Census of Housing reported 240,976 year-round dwelling units in the city. Sixty-five percent were single family structures with owner-occu-

pied homes valued at a median of \$22,500. Median rent was \$113 per month.

Since the 1970 Census, new residential construction has favored multiple units by a considerable margin.

The City Planning Department estimates that, as of January 1, 1975, the total number of housing units in the city had increased to 293,984, a gain of 53,008 units over the 1970 Census tabulation. The proportion of single family dwellings has declined to 60 percent of total housing units.

A Postal Vacancy Survey conducted in October 1974 revealed a 2.5 percent vacancy rate for the city, compared with a countywide vacancy rate of 3.1 percent.

## Employment

Total civilian employment in Metropolitan San Diego (San Diego County) was 561,400 in July 1975, a nominal gain from the year-ago period. Government employees account for more than 25 percent of all nonagricultural wage and salary workers, followed by trade, services, and manufacturing occupations. Overall employment totals in the San Diego area have steadily increased. Largest numerical gains in payrolls between 1970 and 1974 were registered by services, retail trade, and state and

local government. Table 11 shows non-agricultural civilian employment year-to-year comparisons during this period, and the most recent July 1975 data reported by state labor analysts.

## Industry

The most important industries in the San Diego area, based on payrolls, are aircraft and parts, shipbuilding and repair, communications equipment, office equipment, computers, printing and publishing, and food processing. There are more than 1,100 manufacturing firms in the Metropolitan Area. San Diego is fortunate in that it has room and appropriate zoning for substantial expansion of industry.

Major employers in the San Diego area shown in Table 12 include Convair Aerospace Division of General Dynamics, Rohr Industries, National Steel and Shipbuilding Co., Solar Division of International Harvester, and General Atomic Co.

Convair, which employs nearly 10,000 persons in San Diego County, has been established in the San Diego area since 1933. It is currently involved in the design and development of a space shuttle system with Rockwell International Corporation. A contract with the McDonnell Douglas Corporation for manufacture of DC-10 fuselage sections has a total estimated value of \$500 million.

**Table 11**  
**METROPOLITAN SAN DIEGO**  
**Non-Agricultural Civilian Employment (000's)**

	Annual Averages					July 1975
	1970	1971	1972	1973	1974	
Construction .....	21.3	23.6	26.7	28.6	23.1	21.3
Manufacturing (durables) .....	54.8	50.8	50.4	54.7	56.6	57.8
Manufacturing (nondurables) .....	12.6	12.7	13.9	14.6	18.9	14.7
Transportation, utilities .....	20.5	21.2	22.1	23.1	23.2	22.9
Trade (wholesale) .....	13.0	13.3	13.7	15.4	16.6	16.7
Trade (retail) .....	73.1	75.1	78.7	84.3	87.9	91.6
Finance, real estate .....	17.9	19.7	22.1	23.7	24.9	24.7
Services .....	75.5	79.0	84.3	91.4	95.9	99.5
Government (federal) .....	33.1	33.2	34.5	35.7	36.9	37.2
Government (state and local) .....	64.8	68.8	75.0	78.3	80.2	80.0
Other non-agricultural .....	.5	.6	.5	.5	.5	.5
Total non-agricultural employment .	387.1	398.0	421.9	450.3	464.7	466.9

Source: State Department of Employment Development.



Rohr Industries (over 6,500 employees), historically a producer of engine pods and other aircraft subassemblies, produces buses and rapid transit

rail cars. Another transit contract involves the Aero-train, an air-cushion high-speed monorail system powered electrically. Rohr is entering computer-

**Table 12**

**METROPOLITAN SAN DIEGO MAJOR EMPLOYERS**

**500 or More Employees**

**5,000-9,999 Employees:**

General Dynamics/Convair Aerospace  
National Steel & Shipbuilding Co.  
Pacific Telephone & Telegraph Co.  
Rohr Industries, Inc.

**3,000-4,999 Employees:**

General Atomic Co.  
San Diego Gas & Electric Co.  
Solar, a Division of International Harvester

**2,000-2,999 Employees:**

Foodmaker, Inc., Division of Ralston Purina  
NCR Corporation  
Pacific Southwest Airlines  
Ratner Corp.  
Sears, Roebuck & Company  
Teledyne Ryan Aeronautical

**1,000-1,999 Employees:**

Atlas Hotels, Inc.  
Bank of America N.T.&S.A.  
Broadway Department Stores  
Campbell Industries  
Consolidated Facility Services, Inc.  
The Fed-Mart Corporation  
General Dynamics, Electronics Division  
Mercy Hospital & Medical Center  
Montgomery Ward & Company  
J. C. Penney Co.  
Royal Inns of America, Inc.  
Safeway Stores, Inc.  
Servomation Duchess, Inc.  
Southern California First National Bank  
Union-Tribune Publishing Co.  
Walker Scott Co.

**500-999 Employees:**

Alpha Beta Acme Markets, Inc.  
American Airlines, Inc.  
Ametek/Straza Division  
Big Bear Super Markets, Inc.  
Burroughs Corporation

**500-999 Employees (Continued):**

Carrier Boys of America, Inc.  
Casa Blanca Convalescent Centers  
Cubic Corp.  
Del Mar Thoroughbred Club  
E. C. D. Deutsch Co.  
Food Basket, Subsidiary of Lucky Stores, Inc.  
Grossmont Center Hospital  
The Handyman Stores  
Hewlett-Packard Co.  
Home Savings & Loan Association  
Hotel del Coronado  
Hughes Aircraft Co.  
K-Mart, Subsidiary of S.S. Kresge Co.  
Kaiser Permanente Medical Care  
Kawano, Inc.  
Kelly Services, Inc.  
La Costa Resort Hotel & Spa  
Lucky Stores, Automotive Division  
The May Company  
Mayfair Markets  
Palomar Memorial Hospital  
Paradise Valley Hospital  
San Diego Trust & Savings Bank  
San Diego Yellow Cabs, Inc.  
Scripps Clinic & Research Foundation  
Scripps Memorial Hospital  
Sea World, Inc.  
Security Pacific National Bank  
Donald N. Sharp Memorial Community Hospital  
William Simpson Construction, a Dillingham Co.  
The Singer Co., Kearfott Division  
Stromberg Datagraphx, Inc., Subsidiary of General Dynamics  
Tri-City Hospital  
University Mechanical & Engineering Contractors, Inc.  
Vista Hill Psychiatric Foundation  
Von's Grocery Co.  
Westgate-California Foods  
F. W. Woolworth Co.  
Zoological Gardens of San Diego

Source: Business Directory 1975, San Diego Chamber of Commerce.

controlled warehousing and modular housing, although ground transportation has become the major part of this company's business.

Solar Division of International Harvester (3,500 employees) produces industrial turbine packages in generator sets, compressors and mechanical drives. Solar is reported to enjoy 50 percent of the world market for industrial turbine packages. Solar is building a gas turbine manufacturing plant in San Diego which will have approximately one million square feet under roof when completed.

National Steel and Shipbuilding Co., owned equally by Kaiser Industries and Morrison-Knudsen, has a \$54.6 million contract to build three coastal type tankers designed by NASSCO. The firm, with a payroll of over 5,000, has built freighters for shipping lines and is expected to participate in construction arising from the federal 10-year shipbuilding subsidy legislation.

General Atomic Co. (formerly Gulf Energy & Environmental Systems) is active in the design, development and marketing of nuclear power plants, employing over 3,000 persons.

Teledyne Ryan (over 2,000 employees), which built Lindbergh's "Spirit of St. Louis", traces its organization to 1922. The Company produces subsonic and supersonic aerial jet targets, a Doppler navigation set, microwave sensors, electronic counter-measures, micro-electronic packaging, and space-craft instrumentation.

International Telephone and Telegraph Co. (Cable-Hydrospace Division) is building a \$45 million industrial complex in San Diego to produce submarine and other cable. ITT reports that it will eventually employ 1,000 at San Diego plants.

Sony Corporation of Japan occupies a 140,000-square foot plant on a 30-acre site for the assembly of color television sets. The plant is expected to employ 1,000 at full production.

The electronics industry provides employment for more than 11,000 persons in Metropolitan San Diego. Leading electronics and computer manufacturing firms are the Electronics Division of General Dynamics, NCR Corp., Cubic Corporation, Honeywell Information Systems, Cohu Inc., Stromberg-Datagraphix, Spectral Dynamics, Control Data, Burroughs Corporation, Conic Corporation, Hewlett-Packard, and Hughes Aircraft Co.

Table 12 lists firms in the San Diego Metropolitan Area which employ 500 or more employees.

## Finance

Banking services in the city are provided by Bank of America (29 offices, including five at military installations), the Bank of California, Bank of Montreal-California, The Bank of Tokyo of California, California Canadian Bank, California Heritage Bank, Crocker National Bank, Imperial Bank, Mexican-American National Bank, Pacific Coast Bank, Peninsula Bank, San Diego Trust and Savings Bank (7 offices), Security Pacific National Bank (9 offices), Southern California First National Bank, Sumitomo Bank of California, Union Bank, United California Bank (3 offices), Wells Fargo Bank, and the Westlands Bank.

Twelve savings and loan associations maintain offices in the city. San Diego-based Imperial Corporation of America is a \$3 billion holding company which owns nine savings and loan associations operating 122 offices in Texas, Colorado, Kansas and California.

Total San Diego city bank debits for the first half of 1975 were \$33.1 billion, a gain of nearly 20 percent over the first six months of 1974, according to the Federal Reserve Bank of San Francisco. Bank deposits at June 30, 1975 amounted to \$717.3 million, a year-over increase of \$36.9 million.

## Commerce

As the trade and service center of San Diego County, the city accounts for more than 50 percent of total taxable sales in the county. The following summary of taxable sales indicates the annual increases which occurred since 1970, as reported by the State Board of Equalization. Total taxable sales in the city for 1974 increased 11.2 percent over 1973. In the first quarter of 1975, taxable transactions gained 6.8 percent over the same 1974 quarter.

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### CITY OF SAN DIEGO

#### Summary of Annual Taxable Transactions

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1970 .....	\$1,329,262,000
1971 .....	1,469,149,000
1972 .....	1,709,809,000
1973 .....	1,941,781,000
1974 .....	2,159,690,000
1975 (3 mos.) .....	517,591,000

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## Construction

In 1974 the City of San Diego ranked second among California cities in total building permit valuation, trailing only Los Angeles. Nonresidential construction permits totaled a record \$156 million, offsetting a year-to-year drop in residential permit valuation.

Table 13 presents annual building permit valuation data since 1971. On page .. is a selected list of major permits issued by the City during the first half of 1975.

Since 1960, more than \$250 million has been spent for new construction in the downtown area. One of the most striking additions to San Diego's

**Table 13**  
**CITY OF SAN DIEGO**  
**Building Permit Valuation**  
**(Thousands of Dollars)**

	1971	1972	1973	1974	1975 <sup>①</sup>
Value:					
Residential .....	\$337,827	\$298,433	\$149,079	\$108,049	\$ 64,343
Nonresidential .....	103,865	136,845	103,103	156,449	61,142
Total .....	\$441,692	\$435,278	\$252,182	\$264,498	\$125,485
Number of dwelling units:					
Single family .....	8,784	5,620	3,123	1,610	1,154
Multi-family .....	11,884	9,798	3,692	2,623	1,356
Total .....	20,668	15,418	6,815	4,233	2,510

① January through June.

Source: "California Construction Trends," Security Pacific National Bank.

Scripps Institution of Oceanography, University of California at San Diego.



skyline is the Community Concourse located on a seven-acre site in the central core of the city. It includes a 13-story City Administration Building and an adjoining six-story operations building, a convention-exhibit hall, a 1,000-car public garage, and the Civic Theater. The complex represents an investment of more than \$28 million.

Among major projects now underway in the city are a \$44.2 million federal office building and courthouse, and a 22-story office building for Central Federal Savings and Loan Association, both scheduled to be completed this year. The federal complex anchors a proposed redevelopment program encompassing about 15 square blocks south of the central business area.

## CITY OF SAN DIEGO

### Selected Major Building Permits

January-June 1975

Project	Owner/Builder	Permit Value
Industrial .....	General Atomic Co.	\$ 420,000
Mini-warehouses .....	Lincoln Savings and Loan	1,196,000
Stores .....	Big Bear Markets	1,004,000
Stores .....	Mira Mesa Shopping Center	1,060,000
Single Family Homes (30) .....	La Jolla Village	925,000
Church .....	First Assembly of God	1,050,000
Warehouses .....	Cabot Cabot and Forbes	560,000
Industrial .....	MacKenzie Hill Inc.	532,500
Industrial .....	Neil Kjos	469,100
Single Family Homes (39) .....	Time Development Co.	1,555,719
Condominiums (18) .....	V. H. Beights	669,200
Schools .....	La Jolla High School	3,324,010
Schools .....	Memorial Junior High School	3,635,269
Apartments (24) .....	La Jolla Village	600,000
Health Club .....	Atlas Hotels, Inc.	409,000
Office Building .....	Campbell Industries	500,000
Single Family Homes (18) .....	Avco Community Developers	886,200
Single Family Homes (84) .....	Financial Scene, Inc.	2,788,050
Single Family Homes (80) .....	Harry Summers Inc.	3,153,810
Single Family Homes (23) .....	Larwin Southern California	549,360
Single Family Homes (96) .....	Pardee Construction Co.	2,096,920
Single Family Homes (40) .....	Ponderosa Homes	1,433,950
Multiplexes (80) .....	Burad Builders	3,213,260
Warehouse .....	Riverside Investment Management	626,000
Warehouses .....	Van Camp Sea Food Co.	1,855,000
Stores .....	Safeway Stores	987,000
Public Housing Units (125) .....	Federal Military	13,698,000
Apartments (36) .....	Mission Village Center	635,200
Apartments (58) .....	John C. Mabee	662,000
Market .....	John C. Mabee	963,700
School Buildings .....	San Diego Mesa College	2,538,177
School Buildings .....	San Diego State University	9,069,000
School Buildings .....	U.C. San Diego	3,380,236
Hospital Facilities .....	University Hospital	5,661,113

Source: "California Construction Trends," Security Pacific National Bank.



## Military Installations

San Diego is headquarters for the Eleventh Naval District, embracing nine Southern California counties, Clark County in Nevada, and the State of Arizona.

This has led to the development of numerous Navy facilities in the San Diego area. Principal installations in the downtown area include the 11th Naval District Headquarters, Naval Supply Center, and the Engineering Facilities Command.

Larger naval facilities around the bay are the Submarine Support Facility and Naval Electronics Laboratory Center (on Point Loma); the Naval Training Center and Marine Corps Recruit Depot (North Bay); the Naval Air Station (North Island); the Naval Amphibious Base (Coronado Strand); the Naval Station and Inactive Ship Maintenance Facility (South Bay); and the Naval Radio Station (Imperial Beach).

San Diego is the home port for approximately 120 warships. Navy personnel at major bases in the area, combined with ship crews, total over 85,000. Marine Corps personnel at Camp Pendleton and the

U. S. Marine Corps Recruit Training Depot number approximately 35,000. Civilian employment by the military is estimated at more than 30,000.

Military payrolls were in excess of \$428 million in the first half of 1975, a gain of 6.67 percent over the same period of 1974. Civilian employees at military installations were paid more than \$189 million in salaries and wages during the January-June period.

The Navy Regional Finance Center in San Diego disburses over \$3 billion a year, much of it remaining in the local economy. The Naval Supply Center spends \$13 million annually to purchase supplies not stocked by the Department of Defense.

The overall military contribution to San Diego's economy is nearly \$2 billion, as summarized in the tabulation below, based on figures compiled by the Military Affairs Division of the San Diego Chamber of Commerce. This places the Navy in second position as contributor to the local economy. San Diego's manufacturing industries collectively generate the largest single annual source of payrolls, taxes, and local purchases, according to the Chamber of Commerce.

Evening view of San Diego's Community Concourse and neighboring buildings.



## SAN DIEGO COUNTY

### Navy and Marine Corps Spending 1974

Category	Amount
Military payroll .....	\$ 965,520,365
Civilian payroll .....	380,443,972
Public vouchers .....	393,882,568
Retirement checks .....	153,044,760
Military construction .....	84,458,541
Reserve drill pay .....	4,870,147
Total .....	\$1,982,220,353

### Visitor and Convention Business

Important in San Diego's increased commercial activity has been the growth in visitor and convention business. This industry contributes approximately \$1 million a day to the economy of the area, according to studies by the San Diego Convention and Visitors Bureau.

In 1974 San Diego hosted 771 conventions, attended by over 440,000 delegates who spent nearly \$80 million. The pattern of steadily increasing convention business is shown in the tabulation below.

An excellent climate, proximity to Mexico, extensive Navy facilities, Coronado, and such attractions as the San Diego Zoo, Sea World, San Diego Wild Animal Park, and Cabrillo National Monument are prime tourist attractions. Contributing to the growth of visitor business has been the development of the 4,600-acre Mission Bay Park and the construction of new hotels, motels, and convention facilities at the San Diego Community Concourse.

The justly famous San Diego Zoo has more than 5,000 animals of 1,575 species, comprising one of the world's largest wild animal exhibits. Other attractions in the 1,400-acre Balboa Park are Children's Zoo, the unique Old Globe Theatre, Fine Arts Gallery, Museum of Man, Natural History Museum, Spanish Village Art Center, Balboa Bowl, Balboa Stadium, a \$3 million Planetarium and Scientific Exhibit Hall, and two golf courses. Approximately three million persons visit the Zoo annually. In June 1975 the Zoo recorded 340,316 visitors, the highest June figure on record, and an increase of 11.2 percent over the previous June.

The San Diego Wild Animal Park reported 468,788 visitors for the first half of 1975, also a record.

Sea World, opened in 1964, encompasses 70 acres of bay waters and land area, and represents an investment of \$10 million. More than 1,700,000 visitors were recorded in 1974. Cabrillo National Monument, located at the most southwesterly point in the United States, hosts over 1,300,000 people annually.

### SAN DIEGO CONVENTIONS

	Number of Conventions	Number of Delegates	Estimated Spending
1969 .....	535	397,900	\$59,076,200
1970 .....	531	343,825	51,000,000
1971 .....	573	302,400	44,897,328
1972 .....	602	348,796	55,807,360
1973 .....	631	355,000	56,846,880
1974 .....	771	443,310	79,795,800

Source: San Diego Convention and Visitors Bureau.

### Research and Development

Research and development work is playing an increasingly important role in the San Diego economy. The construction of a major campus of the University of California at San Diego (UCSD) added impetus to this development, since research facilities traditionally cluster around major universities with their climate of scientific inquiry.

San Diego County is one of the nation's leading health sciences and biomedical centers. Approximately 28,000 persons share \$30 million in annual payrolls from life sciences-related activities. Other life science research organizations, in addition to UCSD, include the Salk Institute, the Scripps Clinic and Research Foundation, and Scripps Institution of Oceanography.

The Salk Institute, headed by Dr. Jonas Salk, was established at San Diego in 1963 for pure and applied research in the life sciences, uniting biological studies in such fields as the nature of living organisms with research in practical medicine.

A center of biological research, as well as medical training and actual treatment, is the Scripps Clinic and Research Foundation. The foundation, a non-profit organization founded in 1924, is headquartered in a \$25 million plant on a 12-acre site near the UCSD medical school. This organization oper-

ates over 40 laboratories and has 720 research employees, including 170 senior scientists and fellows who are MD's or hold other doctorates.

A \$35 million Veterans Administration Hospital, adjacent to UCSD's School of Medicine, opened in February 1972 and represents a major contribution to biomedical research in the area.

The Scripps Institution of Oceanography has been a unit of the University of California since 1912. The Institution occupies nine buildings on a 159-acre site in the La Jolla section of San Diego, where it is engaged in postgraduate education as well as research. The Institution is the world's largest center of marine biological research. Among its extensive facilities is the largest oceanographic fleet in the nation.

The Naval Electronics Laboratory is an outgrowth of the radio station established by the Navy at San Diego in 1906. Currently, the laboratory performs research, development and tests in the fields of radio, radar, sonar, oceanography and scientific research instruments. San Diego has also been the scene of the Aquanaut and SEA-LAB projects for studying the effects of prolonged undersea living on human beings.

Lockheed Ocean Laboratories, located at the entrance to Harbor Island, is a major contractor with the Navy Deep Submergence Systems Project for the design, construction and testing of a Deep Submergence Rescue Vehicle (DSRV).

General Atomic Co. ranks as the world's largest privately-owned center for diversified nuclear de-

velopment, with approximately 500,000 square feet of laboratory facilities representing an investment of more than \$23,000,000 on its 350-acre site near the UCSD campus.

## Agriculture

San Diego County ranks among the top agricultural counties in the United States. Farm production now approximates \$240 million yearly, with animal products, vegetables, and fruits forming the bulk of gross farm output. Eggs, tomatoes, avocados, and milk are the most important individual farm products, accounting for over 60 percent of gross value in 1974.

Cultivated acreage in the county amounted to over 61,000 acres in 1974. Employment in agriculture generally ranges between 9,000 and 11,500 persons yearly.

Annual summaries of agricultural production in the county since 1971 are presented in Table 14. Vegetables and animal products (largely milk and eggs) have experienced the strongest growth rates in this period.

## Transportation

San Diego's natural harbor is one of the finest in the world. The Port of San Diego has been an important source of commerce for the area as shown by the accompanying summary of inbound and outbound shipments through the Port. Total annual tonnage over the piers has virtually doubled since 1965 as shown in Table 15.

**Table 14**

### **SAN DIEGO COUNTY**

#### **Gross Value of Agricultural Production**

Commodity	1971	1972	1973	1974
Field crops .....	\$ 1,099,300	\$ 1,126,200	\$ 3,084,800	\$ 2,727,350
Fruits and nuts .....	38,232,930	40,624,300	56,913,000	54,033,610
Vegetables .....	33,202,580	35,980,200	41,184,300	60,339,000
Nursery products .....	27,016,000	31,055,000	37,283,000	40,135,000
Livestock and poultry .....	11,517,000	14,327,000	10,274,000	9,686,000
Animal products .....	41,766,000	44,365,000	69,403,000	72,640,000
Apiary .....	258,820	33,000	1,200,000	300,000
Total .....	\$153,092,630	\$167,510,700	\$219,342,100	\$239,860,960

Source: County Department of Agriculture, Weights, and Measures.



San Diego is the terminus of the Atchison, Topeka and Sante Fe Railway route from Los Angeles and San Bernardino. The San Diego and Arizona Eastern Railway, part of the Southern Pacific System, provides freight service to the Imperial Valley and other eastern points.

San Diego has one of the most conveniently located commercial airports in the world. International Airport (Lindbergh Field) is located approximately a mile west of the downtown area, at the edge of San Diego Bay. The facilities are owned and maintained by the San Diego Unified Port District and are leased to commercial airlines and other tenants. San Diego International is California's third most active commercial airport. To provide better service for air travelers, a new \$10,000,000 air terminal has been constructed and a ten-gate addition is to be completed in 1976. The main runway has been extended to handle the largest jetliners. A 22-acre parking ramp for commercial aircraft is now being built. The airport is served by eight scheduled airlines, including Pacific Southwest Airlines (PSA), which is headquartered at the field. Since 1965, both passenger traffic and cargo shipments have greatly increased, as shown in the tabulation above.

San Diego is the western terminus of Interstate 8 originating in Jacksonville, Florida. Interstate 5, the major north-south route through California, connects San Diego with other major west coast cities. U. S. Highway 395 and Interstate 15 join north of the city to provide an alternate route through Escondido to San Bernardino and Riverside. Interstate 5

## SAN DIEGO INTERNATIONAL AIRPORT

Fiscal Year	Number of Passengers	Pounds of Air Cargo
1965 .....	1,632,833	13,685,486
1970 .....	3,341,291	38,638,400
1971 .....	3,464,174	37,946,200
1972 .....	3,915,395	39,585,000
1973 .....	4,274,286	43,161,600
1974 .....	4,410,972	41,388,200
1975 .....	4,298,580	39,930,200

Source: San Diego International Airport.

is being constructed to full freeway standards (eight lanes) from Tijuana to Orange County while Interstate 8 and 805 are being expanded to six and eight-lane freeways in San Diego County. Interstate 805 will be an express route from Del Mar to the Mexican border, passing west of Montgomery Field (the auxiliary city airport) and east of the city center.

Greyhound and Continental Trailways schedule regional and interstate motor transportation. Local bus service throughout the Greater San Diego Area is provided by the San Diego Transit Corporation, a non-profit corporation formed by the city to acquire the facilities of the previous privately-owned company.

The San Diego Coronado Bay Bridge, opened in 1969, links the City of San Diego with the Coronado Peninsula.

**Table 15**  
**SAN DIEGO UNIFIED PORT DISTRICT**  
**Marine Commerce**

Year Ended June 30	Tons			
	Import	Export	Domestic	Total
1965 .....	287,452	473,444	191,028	951,924
1970 .....	271,896	648,973	378,981	1,299,850
1971 .....	252,369	626,878	513,598	1,392,845
1972 .....	279,597	346,592	800,635	1,426,824
1973 .....	359,437	447,635	797,098	1,604,170
1974 .....	493,809	694,807	702,815	1,891,431
1975 .....	318,058	981,418	579,670	1,879,146

Source: San Diego Unified Port District.

## Education

As noted previously, the San Diego Unified School District serves most of the City of San Diego. Portions of the city are within two other unified school districts, four high school districts, and 14 elementary school districts.

Total enrollment for regular schools in San Diego Unified School District as of October 1974 was 123,333, a decrease of 651 students from October 1973. Enrollment in the junior high and high school grades increased, but the elementary school grades reported fewer pupils. Enrollment patterns for recent years are shown in the tabulation below.

Higher education ranks as the county's fourth largest industry, after manufacturing, the Navy, and tourism. Of the four, higher education is definitely the fastest growing. During the eight-year period ending in 1973/74, total expenditures at community colleges and four-year institutions increased three-fold, according to the Economic Research Bureau of San Diego.

Community colleges in California are locally operated and administered two-year institutions beyond high school. They offer the Associate in Arts and Associate in Science certificates and have extensive vocational curricula. The five community college districts in Metropolitan San Diego had a combined 1973/74 enrollment of more than 63,000. They are: San Diego Community Colleges (28,960 students); Grossmont College in El Cajon (12,945); Southwestern College, Chula Vista (9,482); Palomar, San Marcos (8,751); and Mira Costa, Oceanside (3,643). The San Diego Community Colleges in-

clude San Diego City College with campuses downtown and at Miramar, San Diego Mesa College, and San Diego Evening College. Miramar is the only school in the United States specializing in public safety education, offering the A.S. certificates in criminal justice and fire science.

There are five four-year institutions of higher education in Metropolitan San Diego: the University of California at San Diego (7,950 students), San Diego State University (29,950), University of San Diego (2,500), United States International University (5,345), and Point Loma College, a newly established institution with enrollment of 1,214 in the 1973/74 school year. These institutions have a very direct effect in bolstering the local economy through the attraction of research dollars to the area.

San Diego State University offers the bachelor's degree in 54 fields, and the master's degree in 42. There are doctorate programs in chemistry, genetics and ecology at this campus.

The University of California at San Diego offers graduate and undergraduate instruction at four colleges—Revelle College, John Muir College, Third College, and Fourth College. The campus serves as headquarters for the University's Institute of Marine Resources and includes the long-established and celebrated Scripps Institution of Oceanography. There is a School of Medicine in the educational complex.

The University of San Diego (Catholic) offers the Master's degree in ten fields and awards the Juris Doctor degree at its School of Law. United States International University operates a law school and a school of the visual and performing arts.

## SAN DIEGO UNIFIED SCHOOL DISTRICT

### Average Daily Attendance<sup>①</sup>

Grades	1971/72	1972/73	1973/74	1974/75	1975/76 <sup>②</sup>
Elementary .....	73,491	71,471	69,715	68,509	67,906
Junior High .....	30,746	30,532	30,916	30,885	30,504
Senior High .....	26,922	26,773	26,544	26,805	27,290
Small High .....	687	562	166	161	177
	131,846	129,338	127,341	126,360	125,877

<sup>①</sup> Includes summer enrollments.

<sup>②</sup> District estimate.

Source: San Diego Unified School District.





University of California at San Diego.

## Recreation

The San Diego area's mild, year-round climate and many attractions and recreation features have drawn millions of visitors annually from throughout the nation. Strong action has been taken to exploit this potential, particularly by the City of San Diego, with the building of the Downtown Community Concourse, the \$6,500,000 Sports Arena, and the \$27,750,000 San Diego Stadium.

Balboa Park covers 1,400 acres in the center of the city and includes museums, art galleries, theatres and recreation areas, in addition to miles of garden walks. Covering 128 acres within the park is the San Diego Zoo, which has one of the largest collections of wild animals on display in the world. The San Diego Planetarium Authority has constructed a Planetarium and Hall of Science on a three-acre site in Balboa Park.

Mission Bay is a joint public and private development including hotels and motels, marinas, restaurants and Sea World, which offers performances by whales, porpoises and a variety of sea animals, as

well as Japanese pearl divers and hydrofoil rides on Mission Bay.

There are 59 golf courses in San Diego County, including the championship Torrey Pines and La Costa courses.

A major attraction is the proximity to Mexico, where the visitor can attend greyhound and thoroughbred racing, jai alai, and bullfights. Other nearby attractions are the beaches, mountains, and desert areas of the county.

## Utilities

The San Diego Gas and Electric Company provides electric power and natural gas in the City of San Diego and other communities in the coastal area of the county. Telephone service is provided by Pacific Telephone Company, which established the San Diego division as a separate operating division to meet increasing demands for service.

Water service is supplied by the City of San Diego. An adequate supplemental water supply is available from the Metropolitan Water District of



Southern California via the San Diego County Water Authority. The Metropolitan Sewerage System of the City of San Diego furnishes sewerage service in the city and surrounding developed areas.

## General Description of Greater San Diego

Metropolitan San Diego (San Diego County), an important industrial, military, research and oceanographic center, is one of the fastest growing areas of the United States. The Metropolitan Area extends 70 miles along the Pacific Coast from the Mexican border to Orange County. It is bounded on the northeast by Riverside County and extends inland 75 miles to Imperial County. Encompassing 4,255 square miles, the county is approximately the size of the State of Connecticut. The San Diego area is one of the oldest settled sections of the United States. The Bay of San Diego was discovered in 1542 by the Spanish explorer Cabrillo, and in 1769 Father Junipero Serra founded the Mission San

Diego de Alcala, the first in the chain of 21 California missions.

Topography varies from broad coastal plains to fertile inland valleys and mountain ranges to the east, rising to an elevation of 6,500 feet. Eastern slopes of these mountains form the rim of the Anza-Borrego Desert and the Imperial Valley. Climate is equable in the coastal and valley regions where most of the population and resources are located. Maximum daily temperatures along the coast average 70.8° and mean temperatures vary only 14° between the warmest and coldest months. Average annual rainfall in the coastal areas is approximately ten inches.

Impressive growth is evident in the summary of economic indicators in Table 16. Population, employment, and electric power consumption have registered significant gains. Taxable sales, bank debits, and value of manufactures, although subject to inflationary bias, also show strong increases.

Sea World and adjoining recreational attractions in Mission Bay Park.



Table 16

## METROPOLITAN SAN DIEGO

## Summary of Selected Economic Indicators

(in thousands)

	1971	1972	1973	1974
Population (July 1) .....	1,391	1,432	1,469	1,510
Assessed valuation .....	\$ 3,027,863	\$ 3,482,822	\$ 3,853,613	\$ 4,362,536
Value-All building permits .....	\$ 785,267	\$ 964,953	\$ 727,669	\$ 633,842
Total taxable sales .....	\$ 2,777,201	\$ 3,293,149	\$ 3,833,391	\$ 4,296,856
Total civilian employment .....	453	493	542	558
Value-Manufactured products .....	\$ 1,710,000	\$ 1,822,000	\$ 2,165,000	\$ 2,446,000
Bank debits .....	\$37,540,733	\$46,332,449	\$55,564,422	\$69,783,650
Value-Agricultural production .....	\$ 153,093	\$ 167,511	\$ 219,342	\$ 239,861
Electric consumption (KWH) .....	6,436,712	7,001,214	7,489,360	7,347,300

Source: San Diego Chamber of Commerce.



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